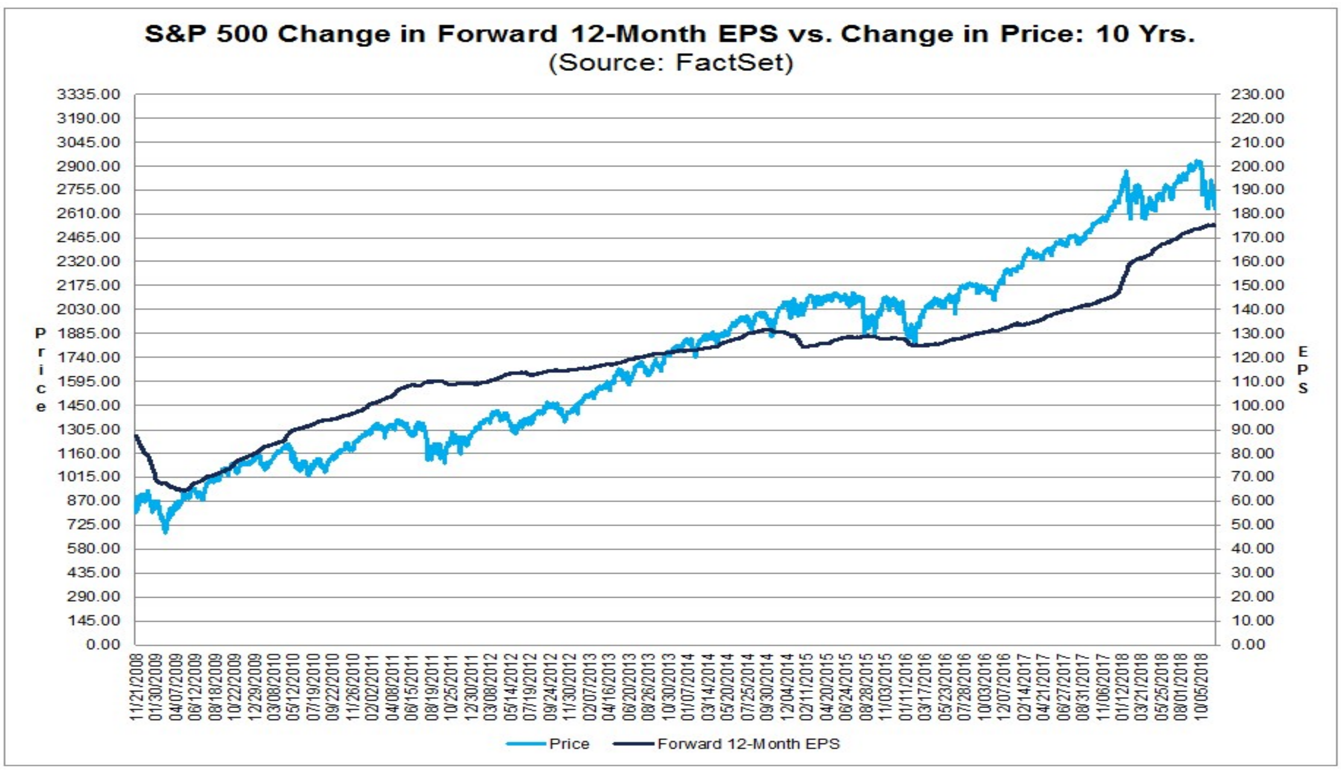
John Butters, Senior Earnings Analyst
jbutters@factset.com

Media Questions/Requests
media_request@factset.com

November 23, 2018

Key Metrics

- **Earnings Scorecard:** For Q3 2018 (with 96% of the companies in the S&P 500 reporting actual results for the quarter), 78% of S&P 500 companies have reported a positive EPS surprise and 61% have reported a positive sales surprise.
- **Earnings Growth:** For Q3 2018, the blended earnings growth rate for the S&P 500 is 25.9%. If 25.9% is the actual growth rate for the quarter, it will mark the highest earnings growth since Q3 2010.
- **Earnings Revisions:** On September 30, the estimated earnings growth rate for Q3 2018 was 19.3%. All eleven sectors have higher growth rates today (compared to September 30) due to positive EPS surprises and upward revisions to EPS estimates.
- **Earnings Guidance:** For Q4 2018, 67 S&P 500 companies have issued negative EPS guidance and 30 S&P 500 companies have issued positive EPS guidance.
- **Valuation:** The forward 12-month P/E ratio for the S&P 500 is 15.1. This P/E ratio is below the 5-year average (16.4) but above the 10-year average (14.5).



To receive this report via e-mail or view other articles with FactSet content, please go to: https://insight.factset.com/

All data published in this report is available on FactSet. Please contact media_request@factset.com or 1-877-FACTSET for more information.

Topic of the Week: 1

Amazon.com Accounts for Over 50% of Expected Earnings Growth for S&P 500 Retailers in Q4

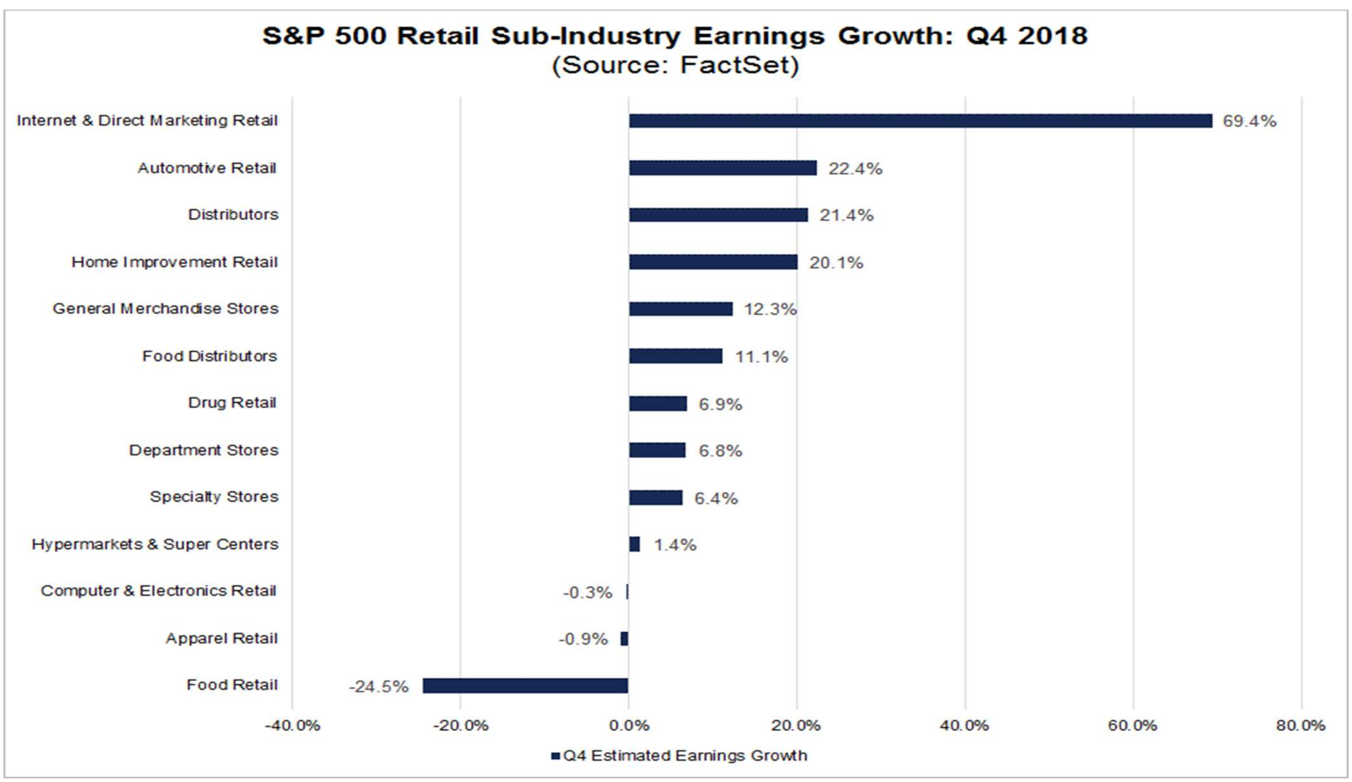
With “Black Friday” and the start of the holiday shopping season kicking off this weekend, the performance of retailers will be a focus for the markets. As of today, what are the expectations for earnings growth for S&P 500 retailers? Which retail sub-industries and companies in the index are projected to report the highest earnings growth for the fourth quarter?

Overall, the Retailing Industry Group and Food & Staples Retailing Industry Group combined are projected to report earnings growth of 15.0% for the fourth quarter.

At the sub-industry level, ten of the thirteen retail sub-industries within these two retail industry groups are expected to report earnings growth for the fourth quarter. Of these ten sub-industries, six are projected to report double-digit earnings growth, led by the Internet & Direct Marketing Retail sub-industry. This sub-industry is expected to report earnings growth of 69.4%. Within this sub-industry, Amazon.com ($5.51 vs. $2.16) is expected to report the highest earnings growth and is expected to be the largest contributor to earnings growth for this sub-industry.

In fact, Amazon.com is expected to report the highest earnings growth and is expected to be the largest contributor to earnings growth for the Retailing Industry Group and Food & Staples Retailing Industry Group combined. If Amazon.com were excluded, the estimated earnings growth for Q4 for these two retail industry groups would fall to 6.8% from 15.0. Thus, Amazon.com alone accounts for more than half of the projected earnings growth for all S&P 500 retailers for the fourth quarter.

It is interesting to note that the analysts have cut EPS estimates for Amazon.com since the start of the fourth quarter, as the mean EPS estimate for the company has fallen by 7.7% (to $5.51 from $5.97 since September 30. Over this same period, the stock price for Amazon.com has declined by 24% (to $1515.58 from 2003.00).




S&P 500 Retail Industry Group Earnings Growth: Q4 2018
(Source: FactSet)
17.5%
15.0%
12.5%
10.0%
7.5%
5.0%
2.5%
0.0%
15.0%
6.8%
S&P 500 Retailing + Food & Staples Retailing
Ex-AMZN
Q4 Earnings Growth

Topic of the Week: 2

As Price of Oil Falls, Are Analysts Too Optimistic on Energy Earnings for 2019?

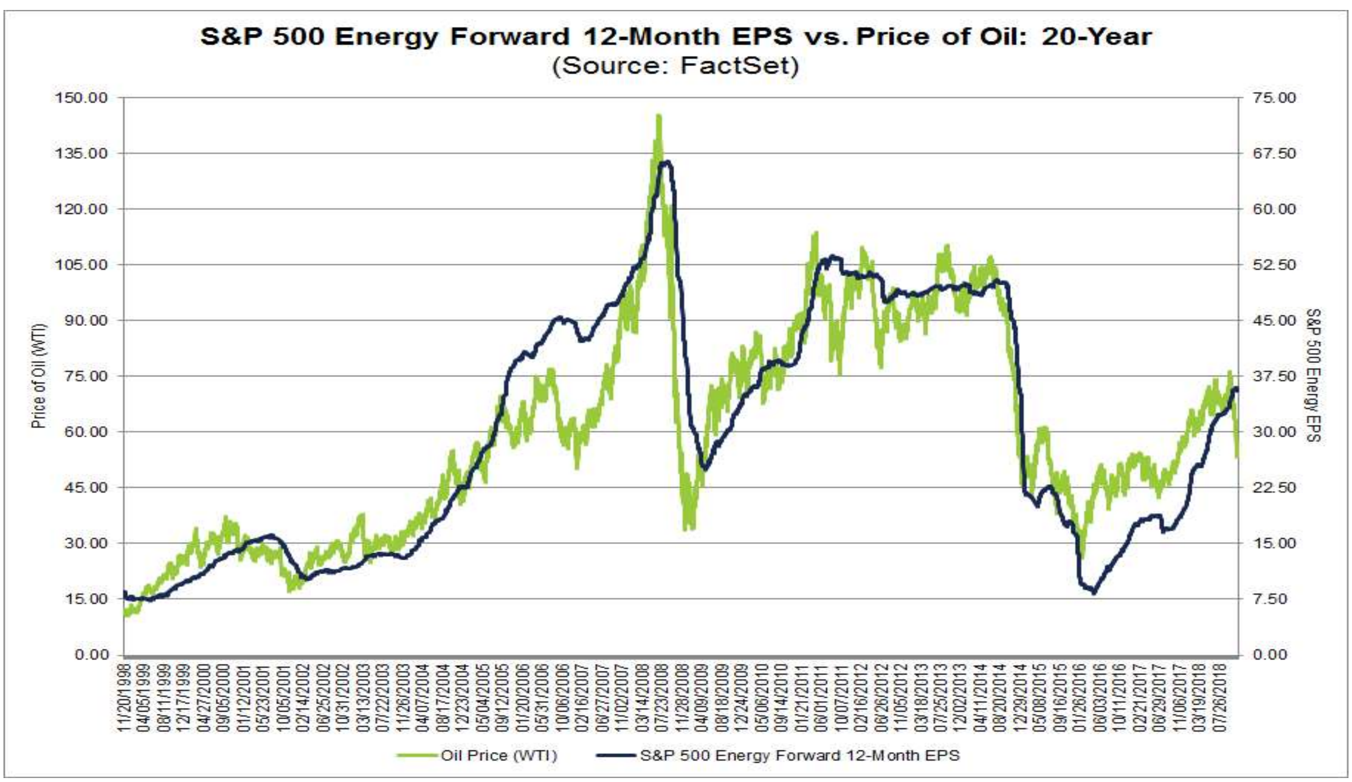
As of today, the Energy sector is projected to report the highest earnings growth of all eleven sectors in the S&P 500 in 2019 at 24.3%. This sector also currently has the highest percentage of Buy ratings (63%) of all 11 sectors in the index and is projected to see the largest increase in price (+28.9%) over the next 12 months (based on the bottom-up target price). Based on these estimates, industry analysts are clearly optimistic on the Energy sector.

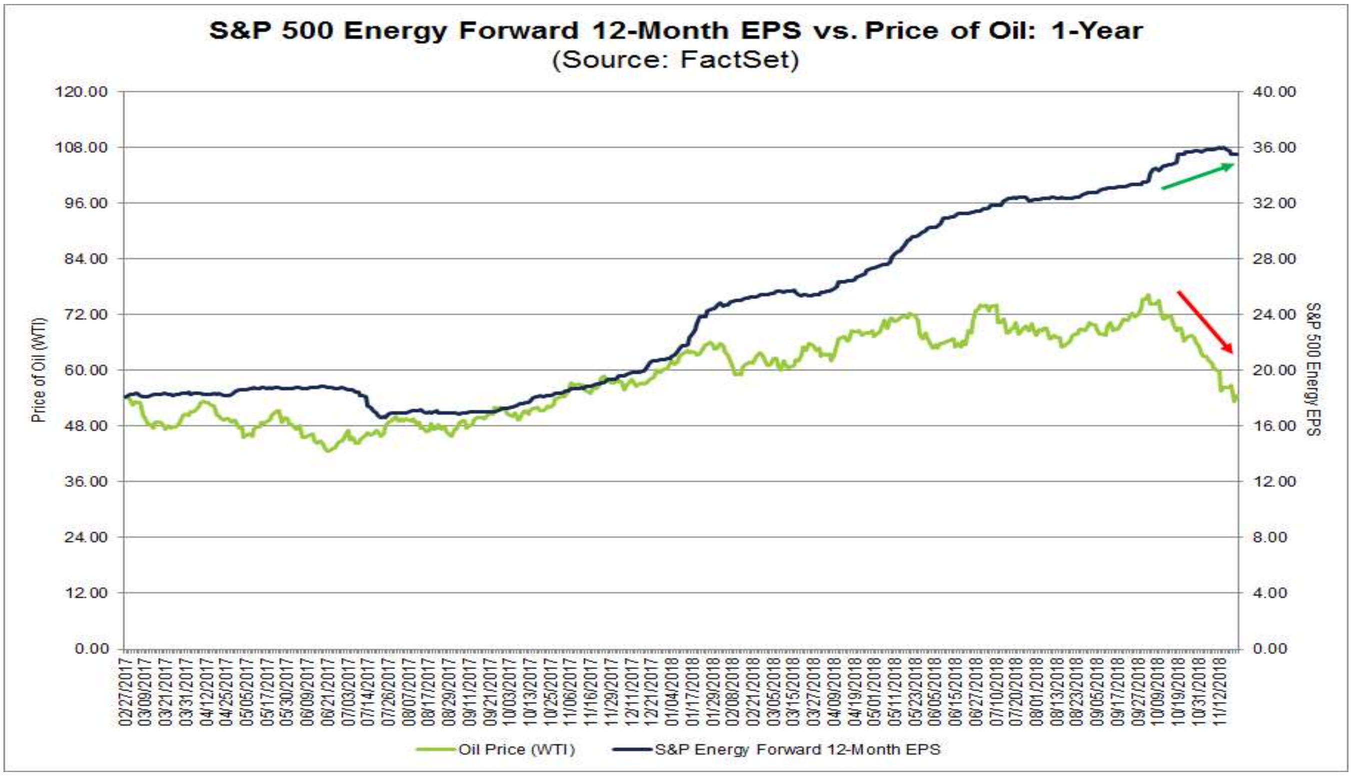
The forward 12-month EPS estimate for the S&P 500 Energy sector has increased by 6.5% since September 30, which is the largest increase of all eleven sectors in the S&P 500. However, it should be noted that forward earnings estimates for the Energy sector and the price of oil are highly correlated. Over the past 20 years, the correlation coefficient between the daily forward 12-month EPS estimate for the Energy sector and the daily price of oil (WTI) is 0.92 (where 1.0 is a perfect positive linear relationship). Please see the first chart below for a 20-year history.

Since September 30, the price of oil (WTI) has declined by 25.4% (to $54.63 from $73.25). Due to this decrease in price, there is now a dichotomy between the movement in the price of oil and the forward 12-month EPS estimate. Assuming the 20-year correlation still holds, then either the price of oil will see a rebound in price soon, or analysts will reduce their forward EPS estimates for companies in the Energy sector.

While the forward 12-month EPS estimate for the Energy sector has seen the largest increase to date of all eleven sectors since September 30, the price of the sector as seen the third largest decrease of all eleven sectors over this period at -13.4% (to $485.82 from 560.91). As a result, the forward 12-month P/E ratio for the S&P 500 is now 13.7, which is well below the 5-year average (28.5) and 10-year average (20.0) for the sector. As the stock market is generally considered a forward-looking indicator, this decrease in price may imply a reduction in earnings estimates is considered more probable by the market than a rebound in the price of oil.

On the other hand, the estimated average price of oil for 2019 (based on 31 estimates submitted to FactSet) is currently $68.90. This estimate is slightly above the estimate of $68.20 on September 30. Even with the recent decrease in price, analysts have maintained their expectations for average oil prices for 2019, which would imply an expected rebound in the price of oil from the current price of $54.63.




S&P 500 Energy Forward 12-Month EPS vs. Price of Oil: 1-Year
(Source: FactSet)
Price of Oil (WTI)
S&P 500 Energy EPS
Oil Price (WTI)
S&P Energy Forward 12-Month EPS

Q3 Earnings Season: By The Numbers

Overview

For the third quarter to date (with 96% of the companies in the S&P 500 reporting actual results), companies are outperforming recent averages in terms of the number of companies reporting positive surprises and the magnitude of the positive surprises.

In terms of earnings, the percentage of companies reporting actual EPS above estimates (78%) is above the 5-year average. If 78% is the final number for the quarter, it will mark a tie (with Q1 2018) for the second-highest percentage of companies reporting a positive EPS surprise since FactSet began tracking this metric in 2008. In aggregate, companies are reporting earnings that are 6.8% above the estimates, which is also above the 5-year average. If 6.8% is the final number for the quarter, it will mark the second-highest EPS surprise percentage since Q1 2011.

In terms of sales, the percentage of companies reporting sales above estimates (61%) is above the 5-year average. In aggregate, companies are reporting sales that are 1.2% above estimates, which is also above the 5-year average.

The blended (combines actual results for companies that have reported and estimated results for companies that have yet to report), year-over-year earnings growth rate for the third quarter is 25.9%. If 25.9% is the actual growth rate for the quarter, it will mark the highest earnings growth since Q3 2010. All eleven sectors are reporting (or have reported) year-over-year earnings growth. Nine sectors are reporting (or have reported) double-digit earnings growth, led by the Energy, Financials, Materials, and Communication Services sectors.

The blended, year-over-year sales growth rate for the third quarter is 9.3%. If 9.3% is the final growth rate for the quarter, it will mark the second highest revenue growth reported by the index since Q3 2011, trailing only the previous quarter (10.5%). All eleven sectors are reporting (or have reported) year-over-year growth in revenues. Five sectors are reporting (or have reported) double-digit growth in revenues, led by the Energy, Communication Services, and Real Estate sectors.

Looking at future quarters, analysts see double-digit earnings growth for the fourth quarter, but also see single-digit earnings growth for the first half of 2019.

The forward 12-month P/E ratio is 15.1, which is below the 5-year average but above the 10-year average.

During the upcoming week, 6 S&P 500 companies are scheduled to report results for the third quarter.

Scorecard: More Companies Beating Estimates by Wider Margins Than Average

Percentage of Companies Beating EPS Estimates (78%) is Above 5-Year Average

Overall, 92% of the companies in the S&P 500 have reported earnings to date for the third quarter. Of these companies, 78% have reported actual EPS above the mean EPS estimate, 8% have reported actual EPS equal to the mean EPS estimate, and 14% have reported actual EPS below the mean EPS estimate. The percentage of companies reporting EPS above the mean EPS estimate is above the 1-year (77%) average and above the 5-year (71%) average.

If 78% is the final number for the quarter, it will mark a tie (with Q1 2018) for the second-highest percentage of companies reporting a positive EPS surprise since FactSet began tracking this metric in 2008. The current record is 80%, which occurred in the previous quarter (Q2 2018).

At the sector level, the Information Technology (92%) sector has the highest percentage of companies reporting earnings above estimates, while the Energy (70%) sector has the lowest percentage of companies reporting earnings above estimates.

Earnings Surprise Percentage (+6.8%) is Above 5-Year Average

In aggregate, companies are reporting earnings that are 6.8% above expectations. This surprise percentage is above the 1-year (+5.4%) average and above the 5-year (+4.6%) average.

If 6.8% is the final number for the quarter, it will mark the second-highest EPS surprise percentage since Q1 2011, trailing only Q1 2018 (+7.5%).

The Energy (+14.5%) and Consumer Discretionary (+13.5%) sectors are reporting the largest upside aggregate differences between actual earnings and estimated earnings. Within the Energy sector, Devon Energy ($0.65 vs. $0.42) and Noble Energy ($0.27 vs. $0.18) have reported the largest positive EPS surprises. Within the Consumer Discretionary sector, Under Armour ($0.25 vs, $0.12), Amazon.com ($5.75 vs. $3.08), and Macy's ($0.27 vs. $0.15) have reported the largest upside differences between actual EPS and estimated EPS.

Market Not Rewarding Earnings Beats and Punishing Earnings Misses

To date, the market is rewarding positive earnings surprises less than average and punishing negative earnings surprises more than average.

Companies that have reported positive earnings surprises for Q3 2018 have seen no average price change (0.0%) two days before the earnings release through two days after the earnings. This percentage is below the 5-year average price increase of +1.0% during this same window for companies reporting upside earnings surprises.

Companies that have reported negative earnings surprises for Q3 2018 have seen an average price decrease of -3.2% two days before the earnings release through two days after the earnings. This percentage decrease is larger than the 5-year average price decrease of -2.5% during this same window for companies reporting downside earnings surprises.

Percentage of Companies Beating Revenue Estimates (61%) is Above 5-Year Average

In terms of revenues, 61% of companies have reported actual sales above estimated sales and 39% have reported actual sales below estimated sales. The percentage of companies reporting sales above estimates is below the 1- year average (73%) but above the 5-year average (59%).

At the sector level, the Real Estate (72%) sector has the highest percentage of companies reporting revenues above estimates, while the Utilities (52%) sector has the lowest percentage of companies reporting revenues above estimates.

Revenue Surprise Percentage (+1.2%) is Above 5-Year Average

In aggregate, companies are reporting sales that are 1.2% above expectations. This surprise percentage is below the 1-year (+1.3%) average but above the 5-year (+0.7%) average.

The Financials (+5.2%) sector reported the largest upside aggregate difference between actual sales and estimated sales. Within this sector, Jefferies Financial Group ($1.15 billion vs. $895 million) and Berkshire Hathaway ($78.1 billion vs. $63.6 billion) reported the largest positive revenue surprises.

Highest Earnings Growth Since Q3 2010

The blended (year-over-year) earnings growth rate for Q3 2018 is 25.9%. If 25.9% is the final growth rate for the quarter, it will mark the highest earnings growth reported by the index since Q3 2010 (34.0%). It will also mark the third straight quarter of earnings growth above 20%. All eleven sectors are reporting (or have reported) year-over-year growth in earnings. Nine sectors are reporting (or have reported) double-digit earnings growth for the quarter, led by the Energy, Financials, Materials, and Communication Services sectors.

Energy: Higher Year-Over-Year Oil Prices Driving Broad-Based Growth

The Energy sector reported the highest (year-over-year) earnings growth of all eleven sectors at 121.3%. Higher oil prices helped to drive the unusually high growth rate for the sector, as the average price of oil in Q3 2018 ($69.43) was 44% higher than the average price of oil in Q3 2017 ($48.20). At the sub-industry level, all six sub-industries in the sector reported earnings growth for the quarter: Oil & Gas Drilling (N/A due to year-ago loss), Oil & Gas Exploration & Production (4,515%), Integrated Oil & Gas (114%), Oil & Gas Storage & Transportation (68%), Oil & Gas Refining & Marketing (29%), and Oil & Gas Equipment & Services (15%).

Financials: All 5 Industries Reported 20% Growth or Higher, Led by Insurance Industry

The Financials sector reported the second highest (year-over-year) earnings growth of all eleven sectors at 35.7%. At the industry level, all five industries in this sector reported at least 20% growth in earnings: Insurance (138%), Diversified Financial Services (103%), Consumer Finance (26%), Banks (22%), and Capital Markets (20%). The unusually high growth rate for the Insurance industry can be attributed in part to an easy comparison to weak year-ago earnings due to catastrophic losses from Hurricanes Harvey and Irma. If the Insurance industry were excluded, the earnings growth rate for the Financials sector would fall to 25.4% from 35.7%.

Materials: All 4 Industries Reported 25% Growth or Higher

The Materials sector reported the third highest (year-over-year) earnings growth of all eleven sectors at 34.2%. At the industry level, all four industries in the sector reported at least 25% growth in earnings: Metals & Mining (53%), Chemicals (32%), Containers & Packaging (32%), and Construction Materials (27%).

Communication Services: All 4 Industries Reported 25% Growth or Higher

The Communication Service sector reported the fourth highest (year-over-year) earnings growth of all eleven sectors at 31.8%. At the industry level, all four industries in the sector reported at least 25% growth in earnings: Diversified Telecommunication Services (36%), Media (35%), Interactive Media & Service (29%), and Entertainment (28%).

Second Highest Revenue Growth Since Q3 2011

The blended (year-over-year) revenue growth rate for Q3 2018 is 9.3%. If 9.3% is the final growth rate for the quarter, it will mark the second highest revenue growth reported by the index since Q3 2011, trailing only the previous quarter (10.5%). All eleven sectors are reporting (or have reported) year-over-year growth in revenue. Five sectors are reporting (or have reported) double-digit growth in revenue, led by the Energy, Communication Services and Real Estate sectors.

Energy: 5 of 6 Sub-Industries Reported Double-Digit Growth

The Energy sector reported the highest (year-over-year) revenue growth of all eleven sectors at 21.6%. At the sub-industry level, all six sub-industries reported revenue growth. Five of the six sub-industries in the sector reported double-digit revenue growth: Oil & Gas Exploration & Production (44%), Oil & Gas Drilling (31%), Oil & Gas Refining & Marketing (25%), Integrated Oil & Gas (19%), and Oil & Gas Storage & Transportation (14%).

Communication Services: Interactive Media & Services Industry Led Growth

The Communication Services sector reported the second highest (year-over-year) revenue growth of all eleven sectors at 19.4%. At the industry level, all four industries in this sector reported revenue growth. Two of these four industries reported double-digit revenue growth: Interactive Media & Services (47%) and Diversified Telecommunication Services (12%).

Real Estate: CBRE Group Led Growth

The Real Estate sector reported the third highest (year-over-year) revenue growth of all eleven sectors at 13.1%. At the company level, CBRE Group was the largest contributor to revenue growth for the sector. The company reported actual revenues of $5.3 billion for Q3 2018, compared to year-ago revenues of $3.5 billion in Q3 2017. If this company were excluded, the revenue growth rate for the sector would fall to 6.9% from 13.1%.

Looking Ahead: Forward Estimates and Valuation

Guidance: Average % of S&P 500 Companies Issuing Negative EPS Guidance for Q4

The term “guidance” (or “preannouncement”) is defined as a projection or estimate for EPS provided by a company in advance of the company reporting actual results. Guidance is classified as negative if the estimate (or mid-point of a range estimates) provided by a company is lower than the mean EPS estimate the day before the guidance was issued. Guidance is classified as positive if the estimate (or mid-point of a range of estimates) provided by the company is higher than the mean EPS estimate the day before the guidance was issued.

At this point in time, 97 companies in the index have issued EPS guidance for Q4 2018. Of these 97 companies, 67 have issued negative EPS guidance and 30 have issued positive EPS guidance. The percentage of companies issuing negative EPS guidance is 69% (67 out of 97), which is slightly below the 5-year average of 70%.

2018 Earnings Growth Estimate is 20%, But 2019 Earnings Growth Estimate is 9%

For the third quarter, companies are reporting earnings growth of 25.9% and revenue growth of 9.3%. While analysts currently expect earnings to grow at double-digit levels for Q4, they also expect more moderate growth in early 2019.

For Q4 2018, analysts are projecting earnings growth of 13.6% and revenue growth of 6.7%.

For CY 2018, analysts are projecting earnings growth of 20.4% and revenue growth of 8.9%.

For Q1 2019, analysts are projecting earnings growth of 4.9% and revenue growth of 6.6%.

For Q2 2019, analysts are projecting earnings growth of 5.4% and revenue growth of 5.3%.

For CY 2019, analysts are projecting earnings growth of 8.8% and revenue growth of 5.2%.

Valuation: Forward P/E Ratio is 15.1, above the 10-Year Average (14.5)

The forward 12-month P/E ratio is 15.1. This P/E ratio is below the 5-year average of 16.4, but above the 10-year average of 14.5. It is also below the forward 12-month P/E ratio of 16.8 recorded at the start of the fourth quarter (September 30). Since the start of the fourth quarter, the price of the index has decreased by 9.1%, while the forward 12-month EPS estimate has increased by 0.7%.

At the sector level, the Consumer Discretionary (19.0) sector has the highest forward 12-month P/E ratio, while the Financials (11.4) sector has the lowest forward 12-month P/E ratio.

Targets & Ratings: Analysts Project 19% Increase in Price Over Next 12 Months

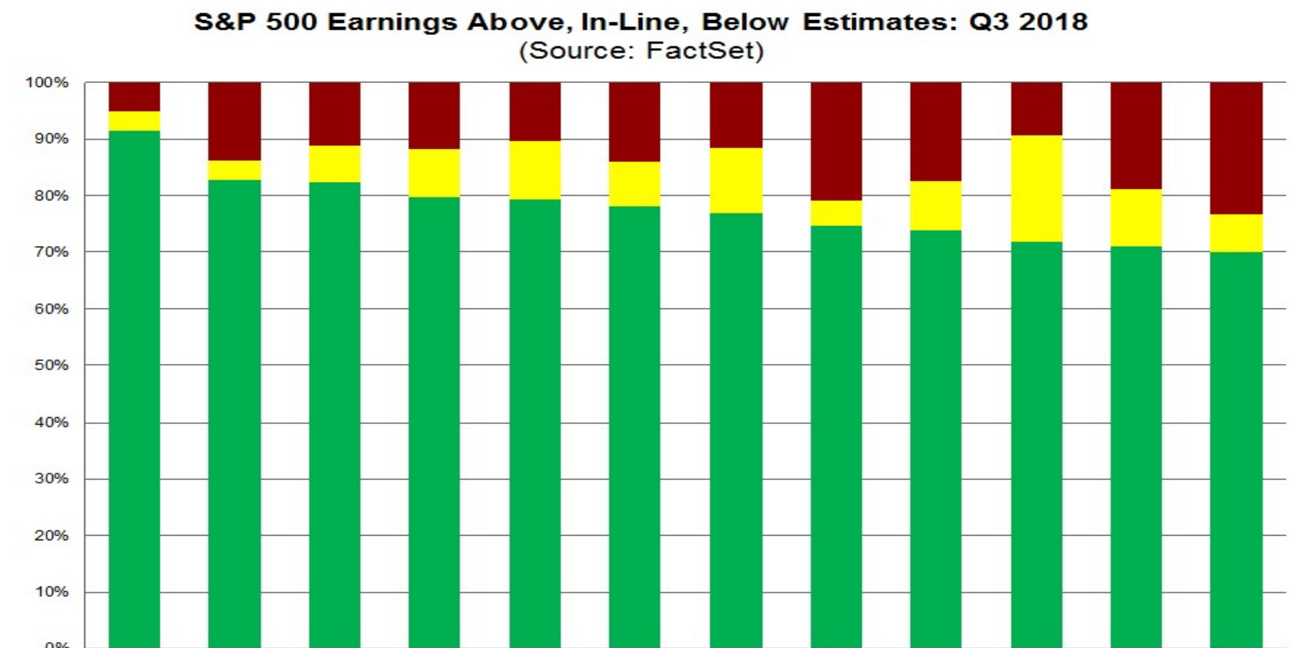
The bottom-up target price for the S&P 500 is 3163.49, which is 19.4% above the closing price of 2649.93. At the sector level, the Energy (+28.9%) sector is expected to see the largest price increase, as this sector has the largest upside difference between the bottom-up target price and the closing price. On the other hand, the Utilities (+4.1%) sector is expected to see the smallest price increase, as this sector has the smallest upside difference between the bottom-up target price and the closing price.

Overall, there are 11,008 ratings on stocks in the S&P 500. Of these 11,008 ratings, 53.4% are Buy ratings, 41.2% are Hold ratings, and 5.4% are Sell ratings. At the sector level, the Energy (63%) sector has the highest percentage of Buy ratings, while the Consumer Staples (41%) sector has the lowest percentage of Buy ratings.

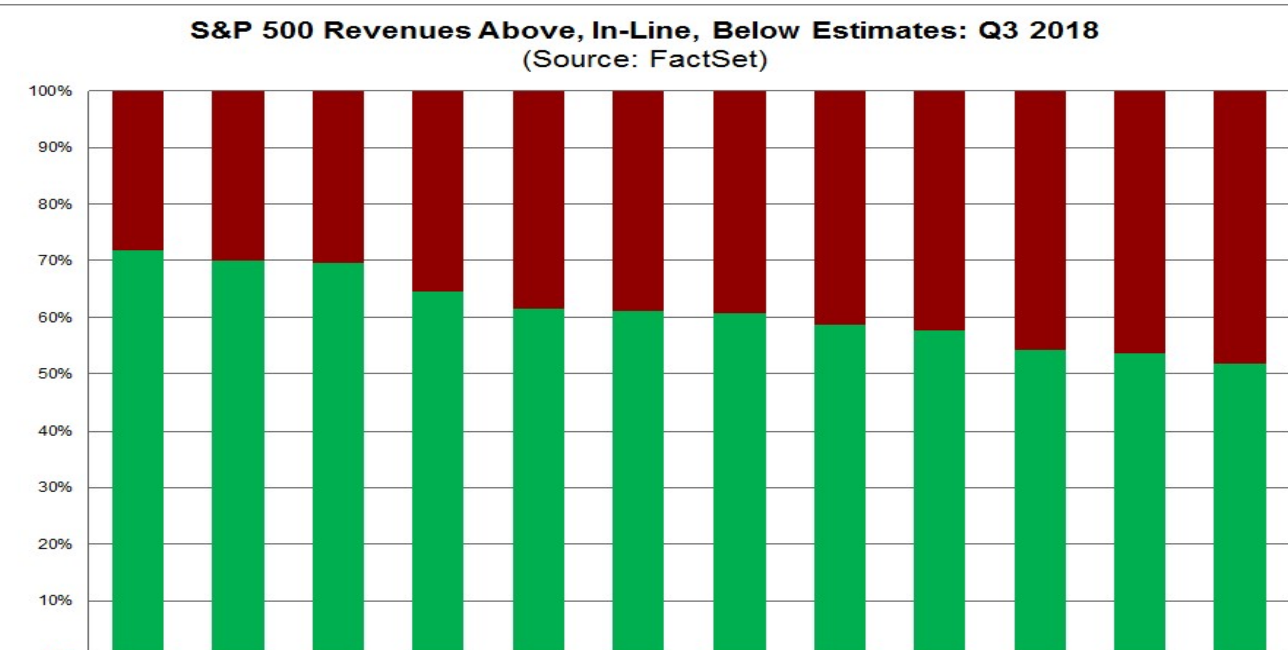
Companies Reporting Next Week: 6

During the upcoming week, 6 S&P 500 companies are scheduled to report results for the third quarter.

Q3 2018: Scorecard

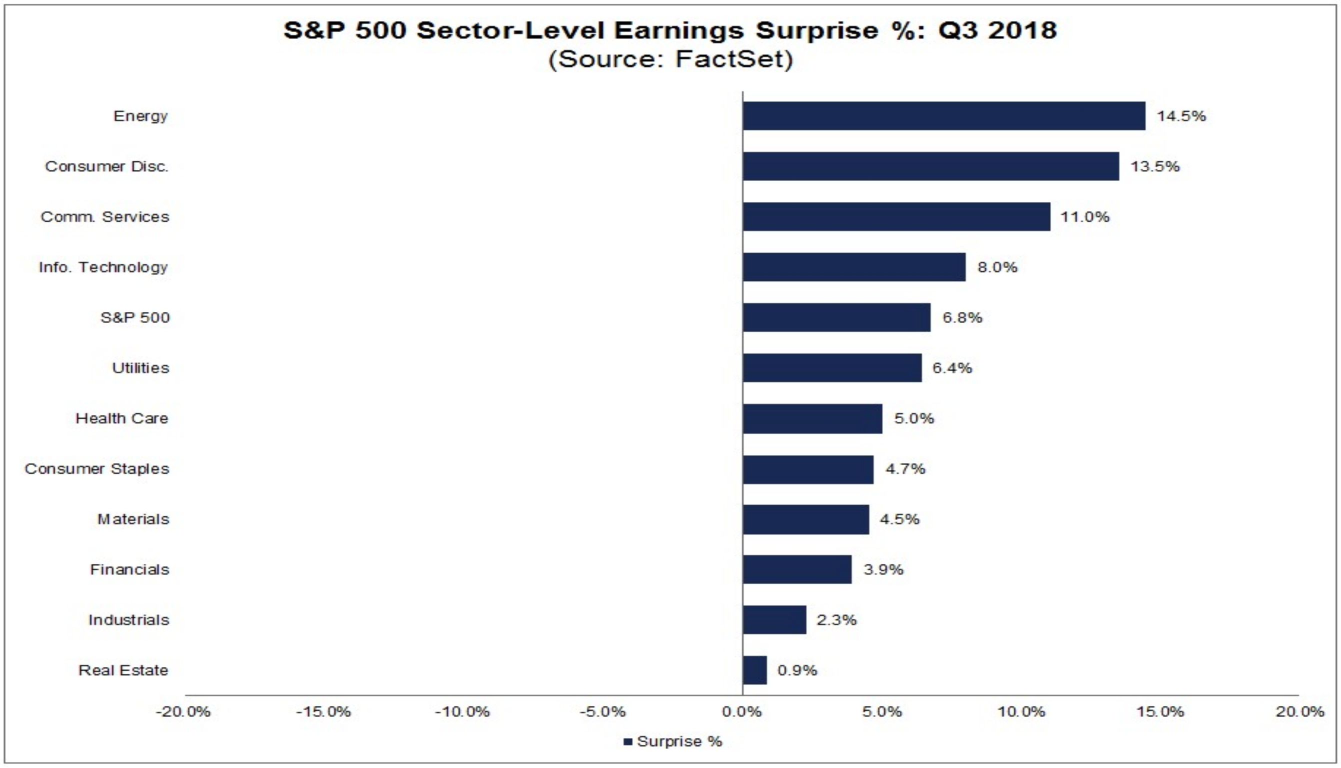


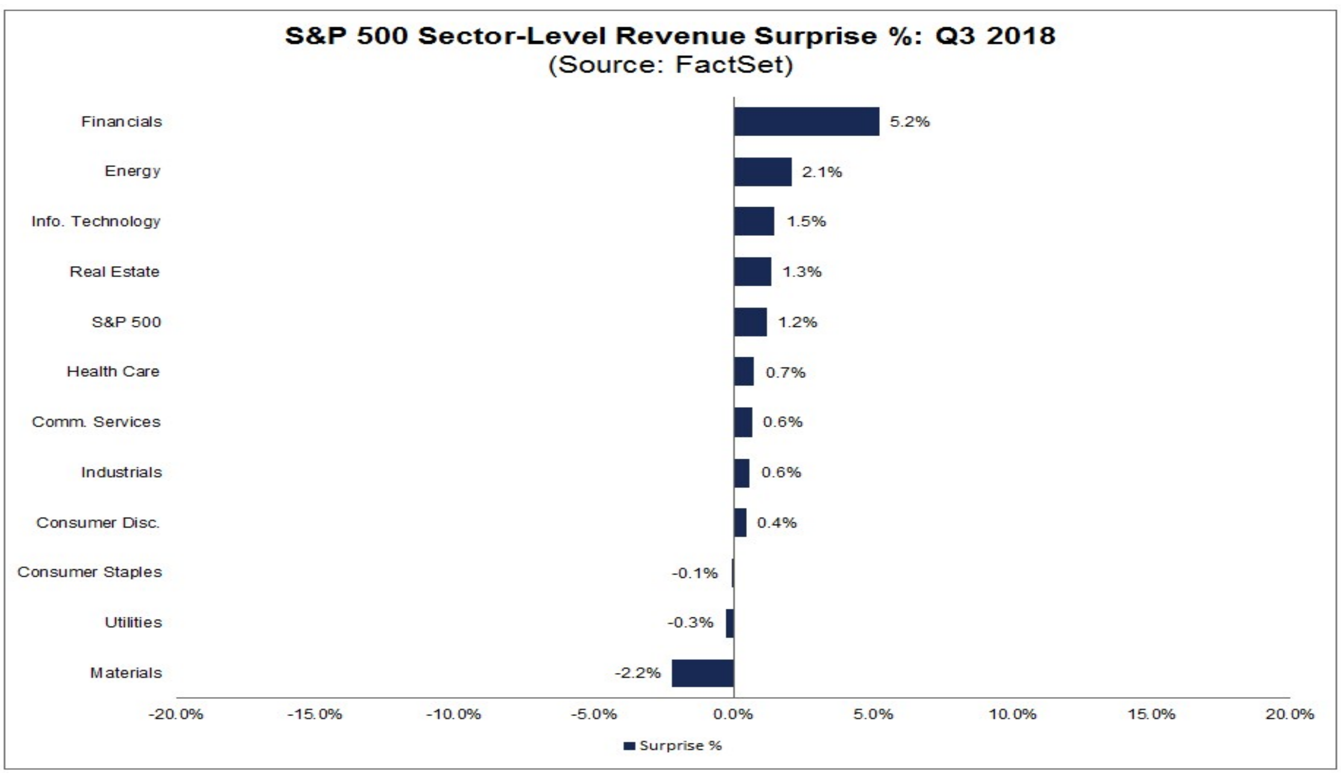
	Info. Technology	Utilities	Health Care	Consumer Disc.	Consumer Staples	S&P 500	Comm. Services	Financials	Materials	Real Estate	Industrials	Energy
Below	5%	14%	11%	12%	10%	14%	12%	21%	17%	9%	19%	23%
In-Line	3%	3%	6%	8%	10%	8%	12%	4%	9%	19%	10%	7%
Above	92%	83%	82%	80%	79%	78%	77%	75%	74%	72%	71%	70%



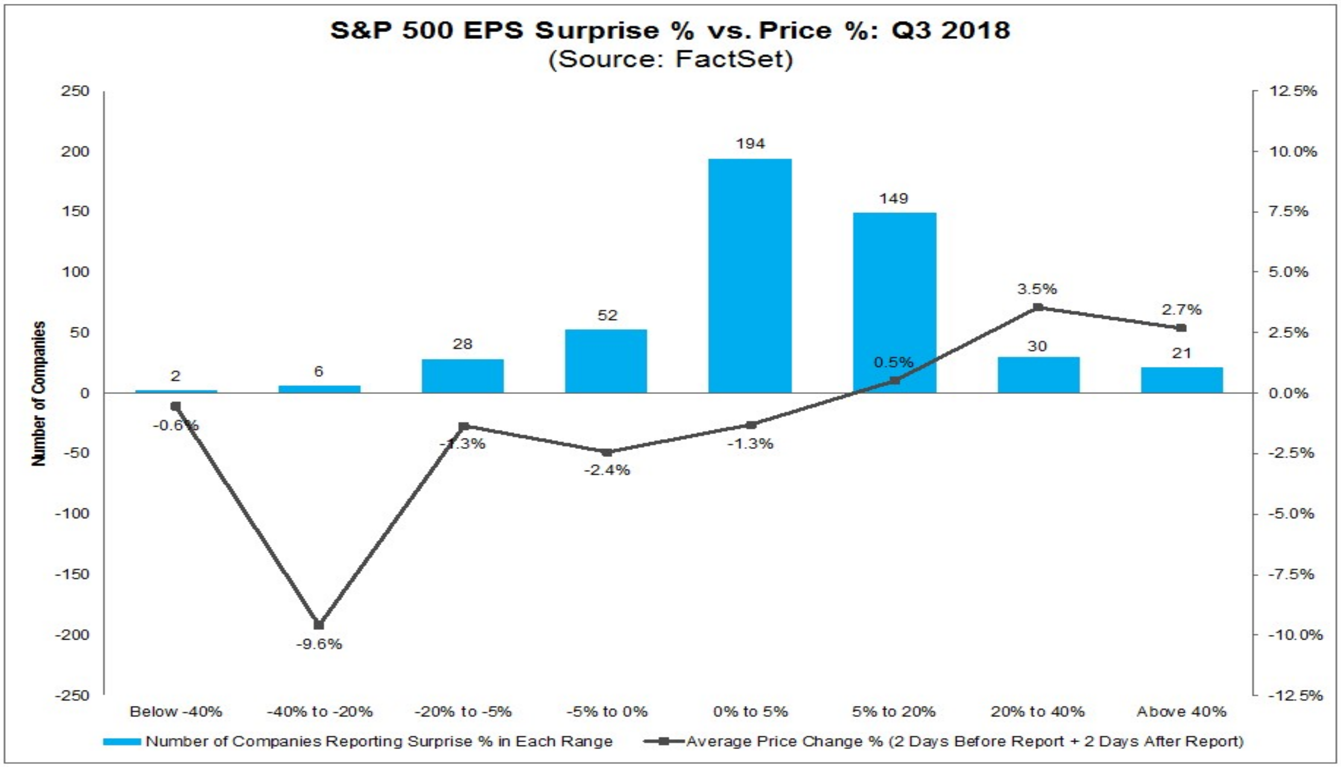
	Real Estate	Energy	Info. Technology	Health Care	S&P 500	Consumer Disc.	Financials	Consumer Staples	Comm. Services	Materials	Industrials	Utilities
Below	28%	30%	31%	35%	39%	39%	39%	41%	42%	46%	46%	48%
In-Line	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Above	72%	70%	69%	65%	61%	61%	61%	59%	58%	54%	54%	52%

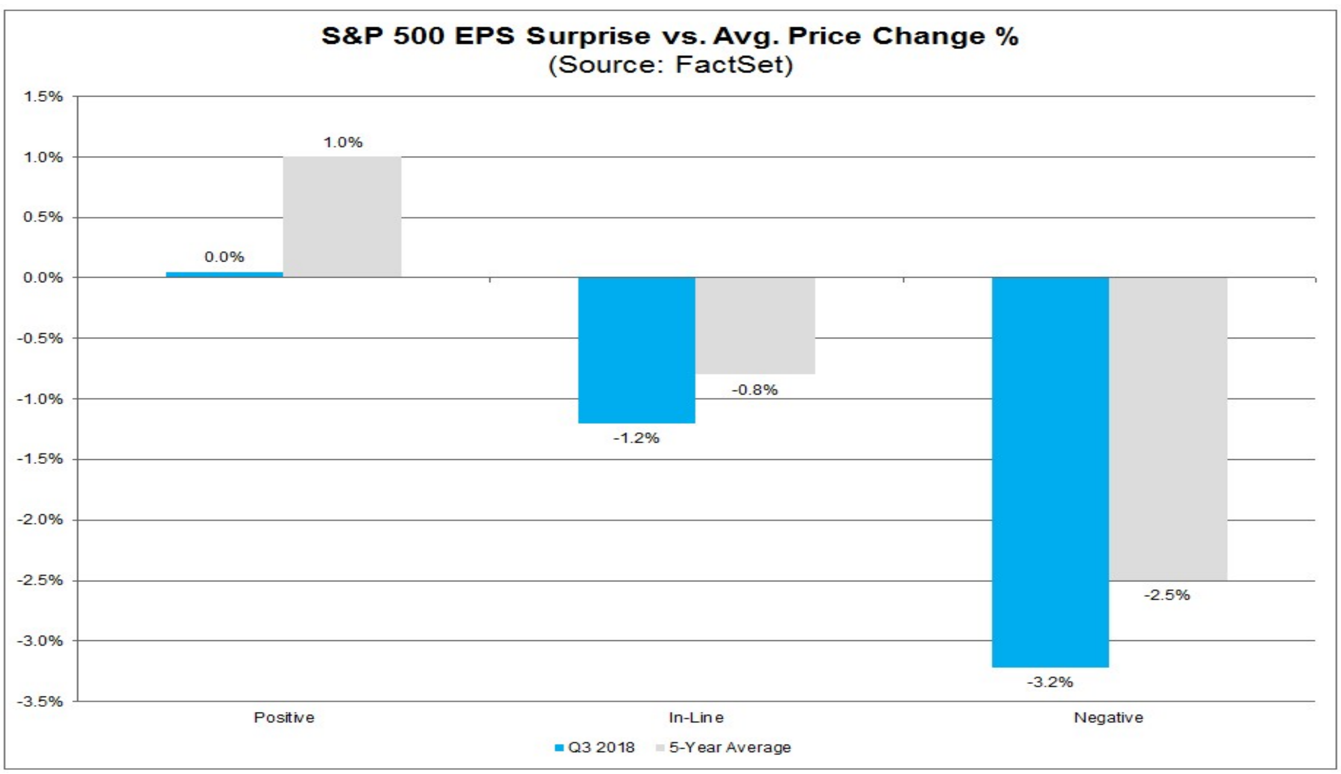
Q3 2018: Scorecard



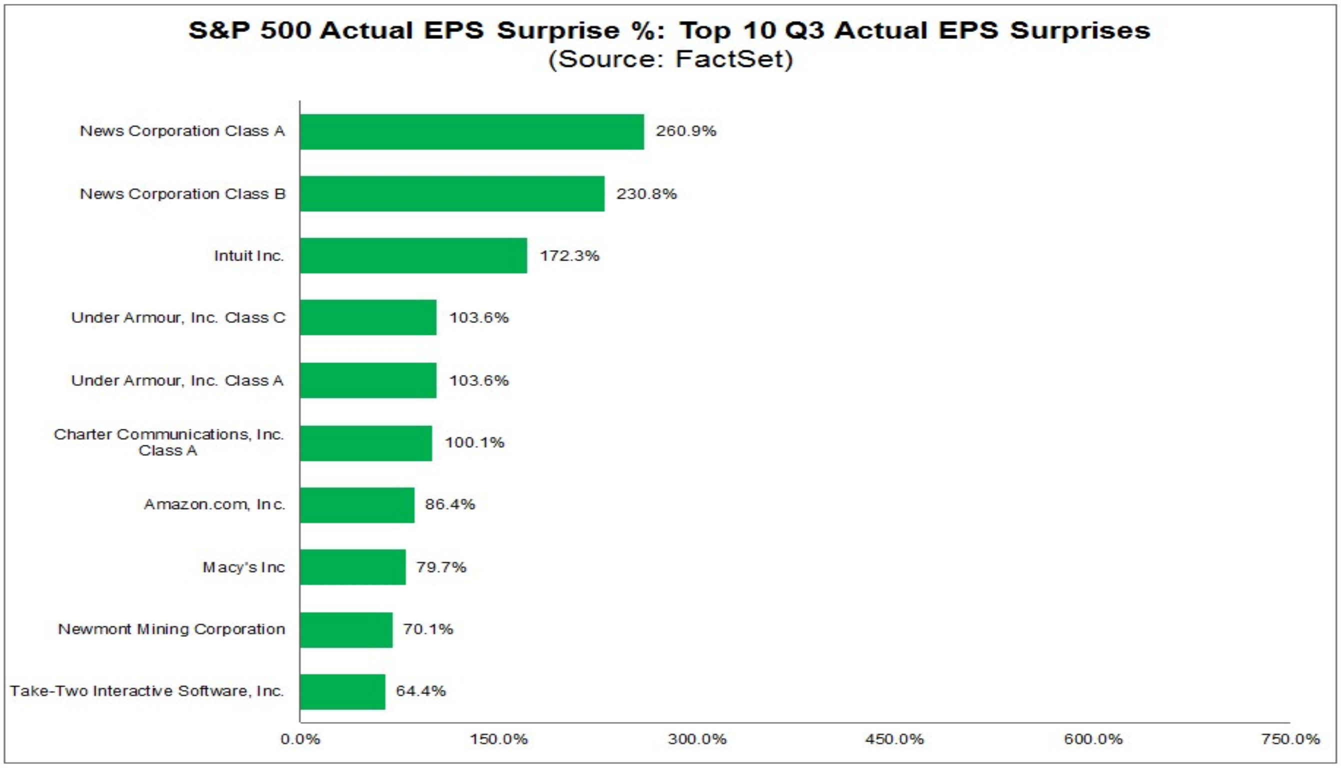


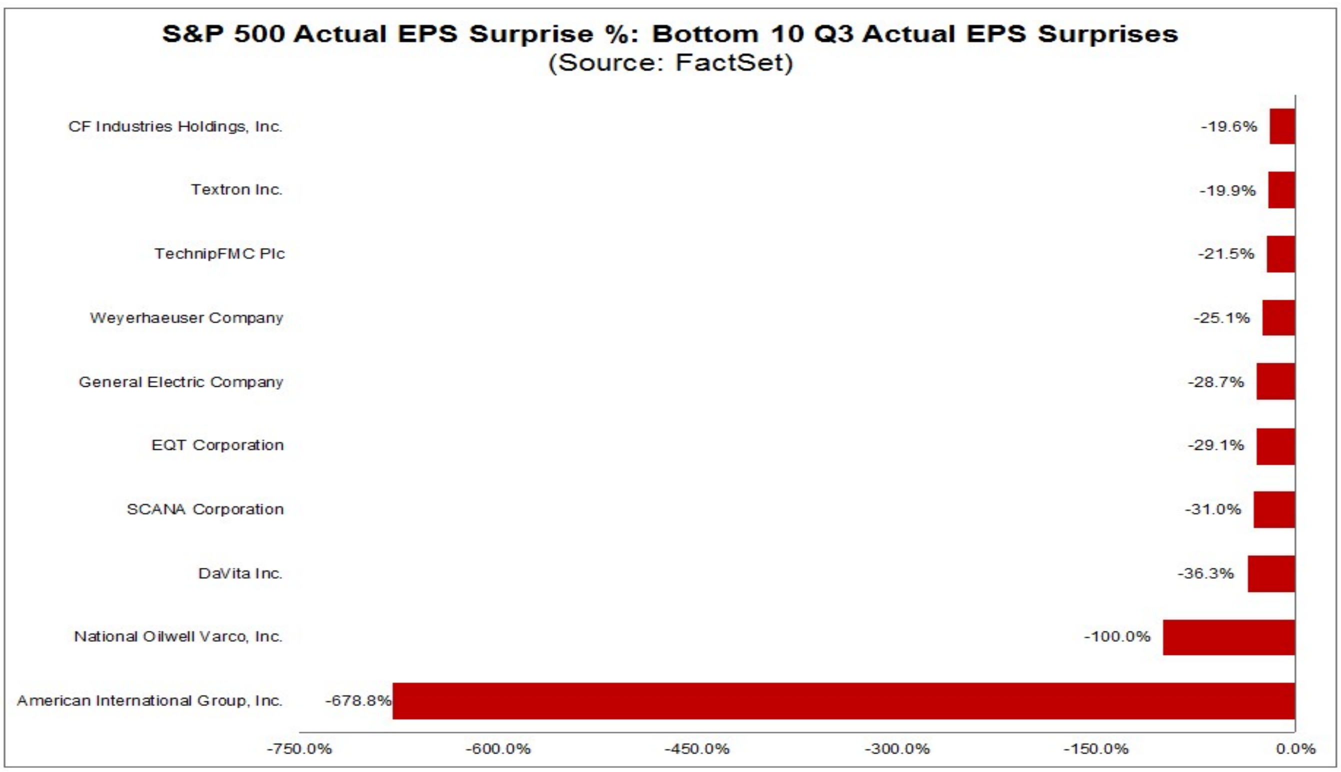
Q3 2018: Scorecard



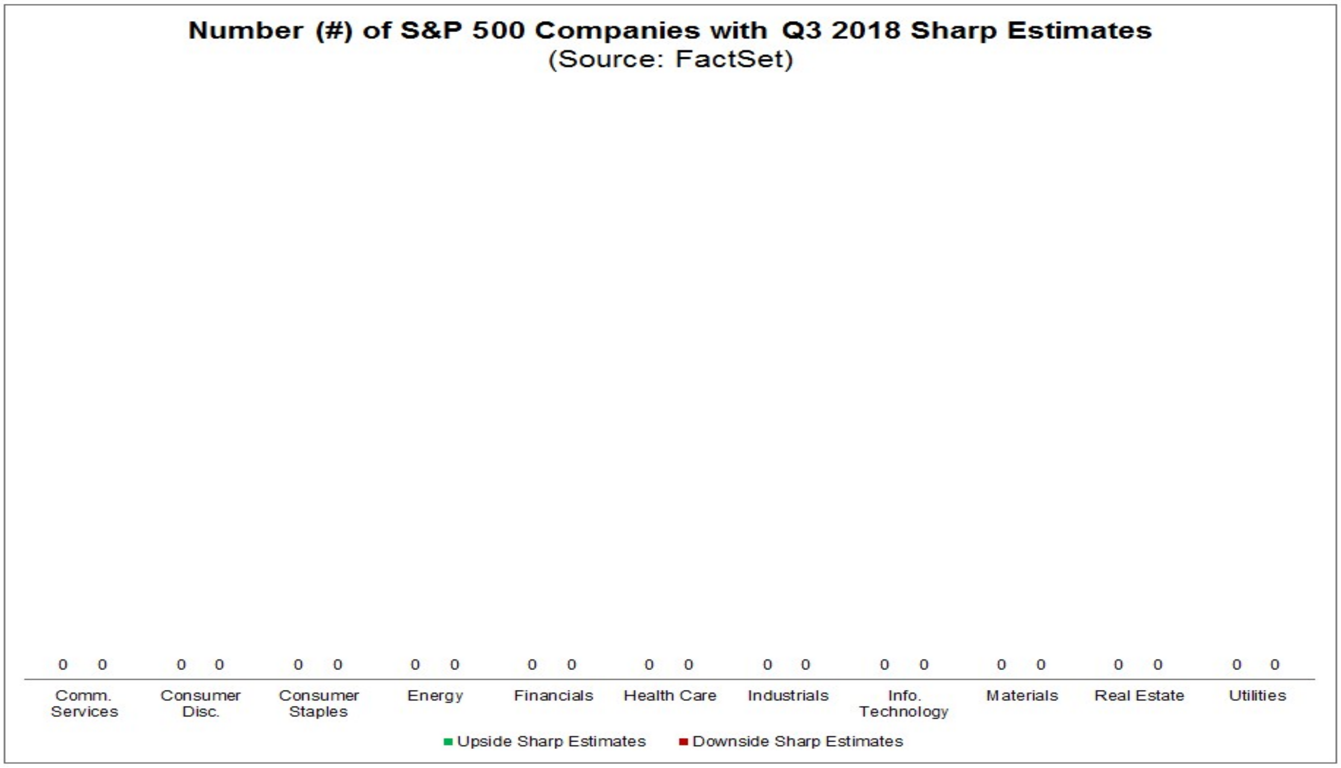


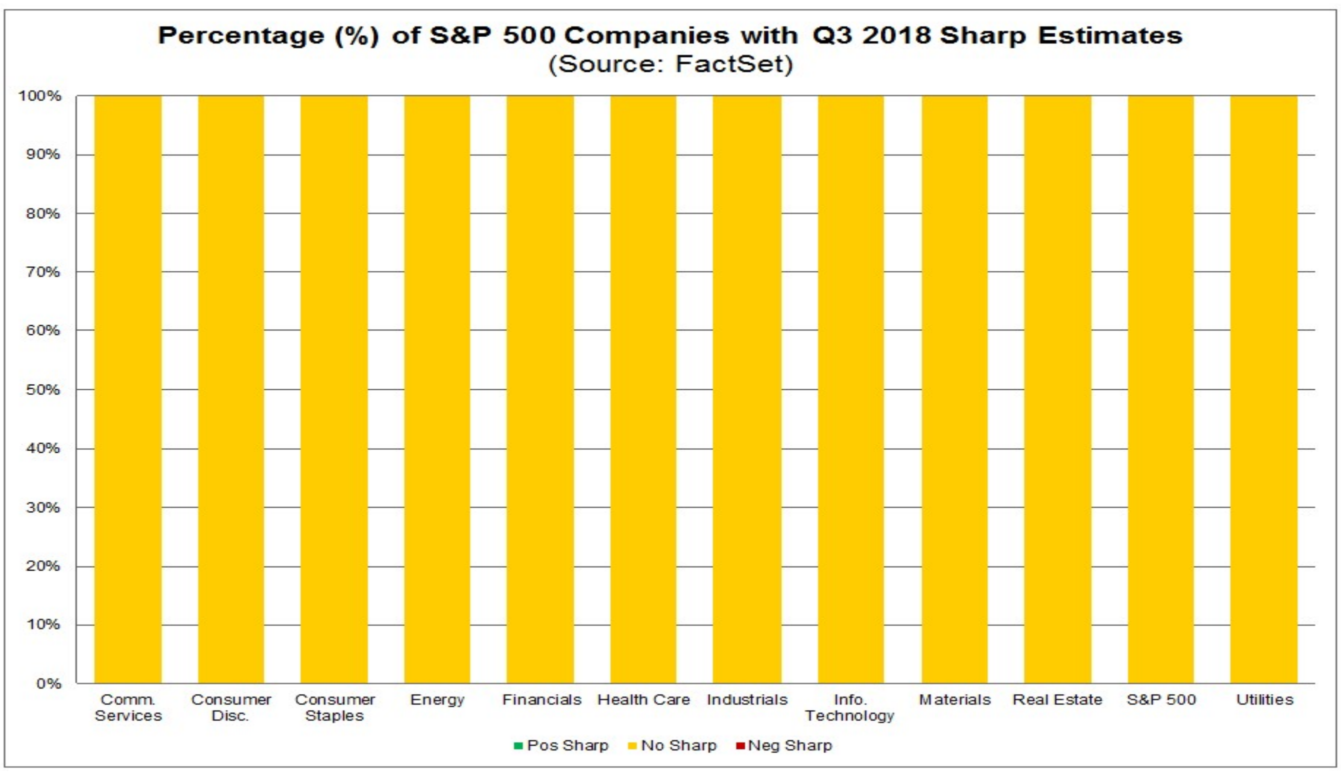
Q3 2018: Scorecard





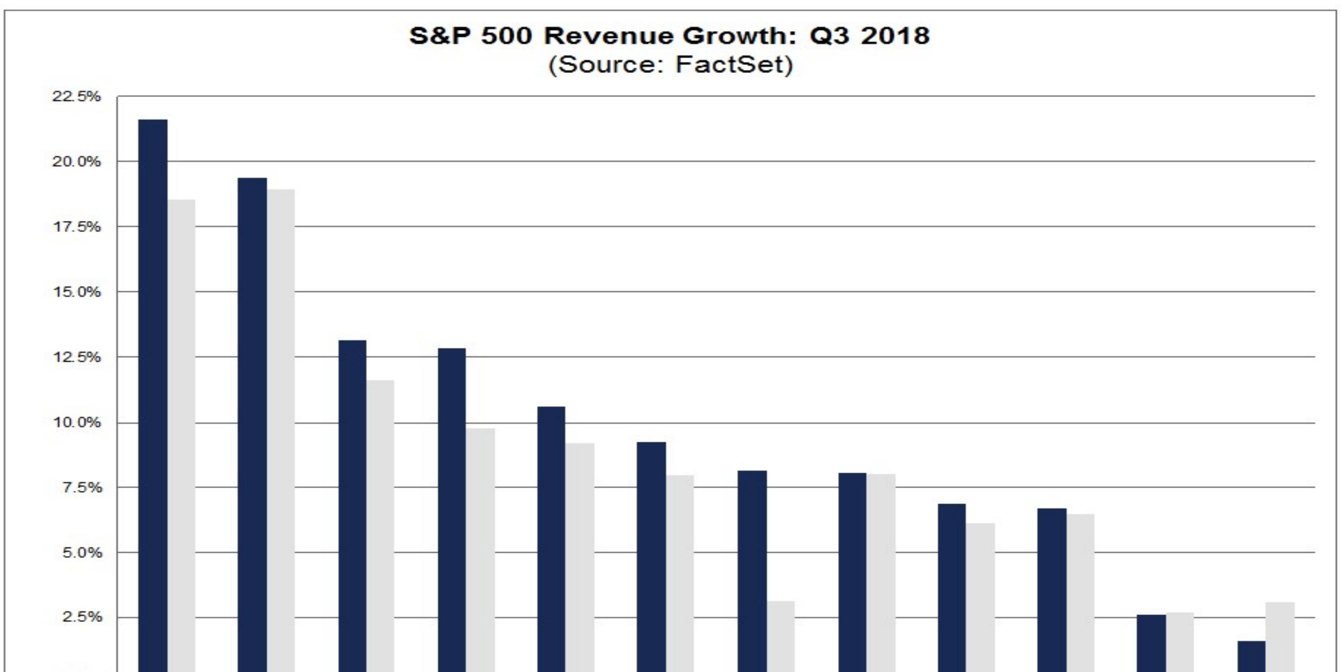
Q3 2018: Projected EPS Surprises (Sharp Estimates)





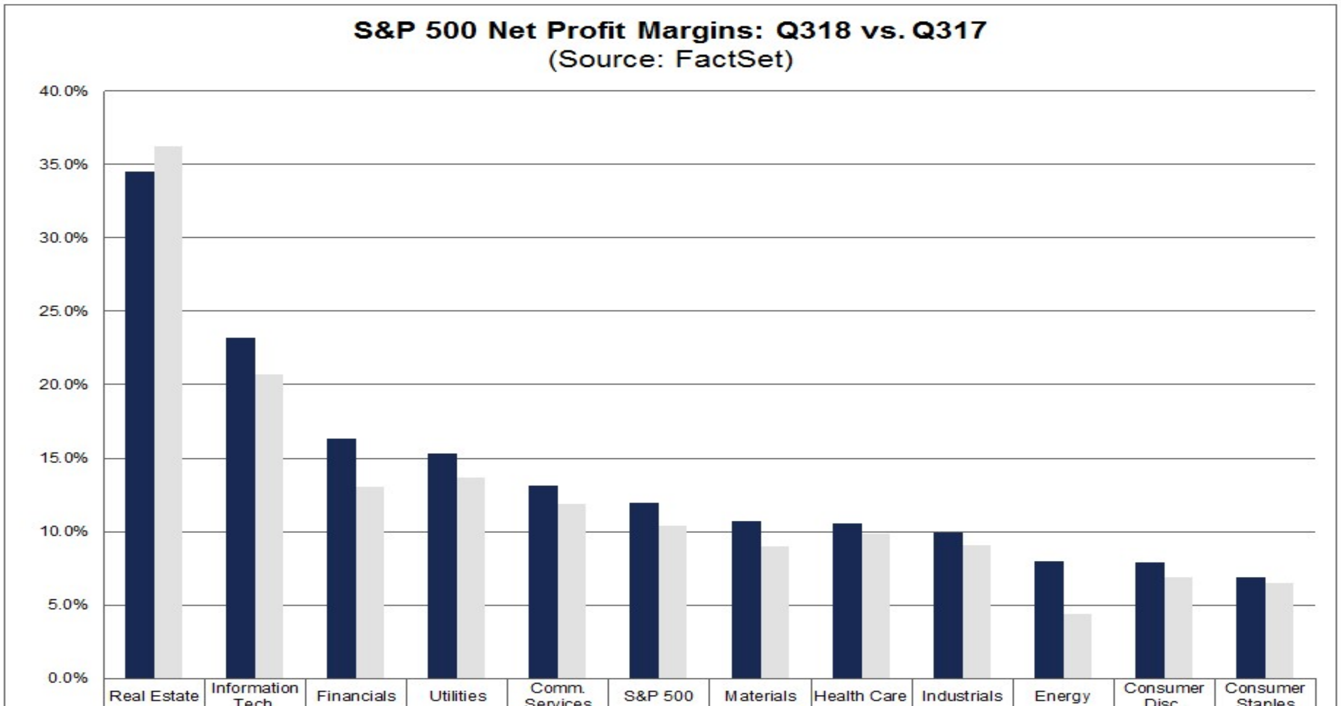
Q3 2018: Growth

	Energy	Financials	Materials	Comm. Services	S&P 500	Info. Technology	Consumer Disc.	Industrials	Health Care	Utilities	Consumer Staples	Real Estate
Today	121.3%	35.7%	34.2%	31.8%	25.9%	24.1%	23.0%	16.7%	14.5%	14.2%	9.2%	7.8%
30-Sep	94.6%	34.2%	27.6%	19.3%	19.3%	16.8%	10.8%	15.1%	8.9%	6.6%	5.1%	6.6%

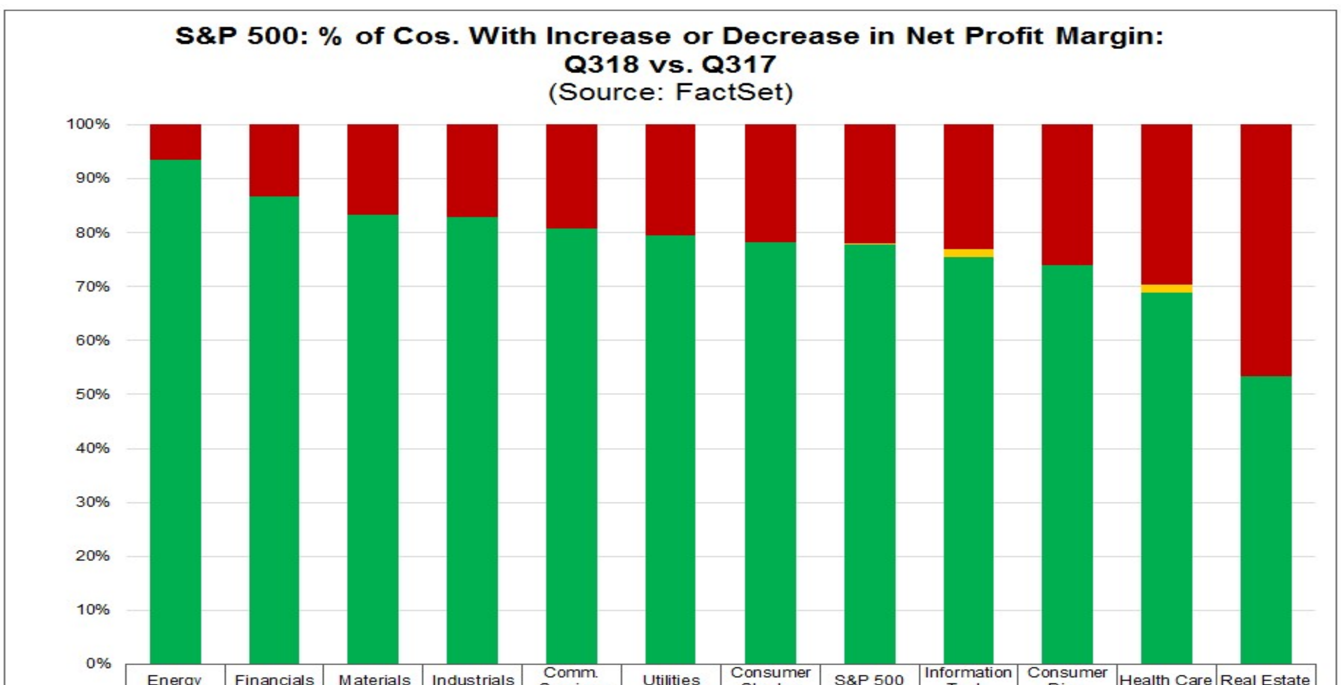


	Energy	Comm. Services	Real Estate	Materials	Info. Technology	S&P 500	Financials	Consumer Disc.	Health Care	Industrials	Consumer Staples	Utilities
Today	21.6%	19.4%	13.1%	12.8%	10.6%	9.3%	8.2%	8.1%	6.9%	6.7%	2.6%	1.6%
30-Sep	18.5%	18.9%	11.6%	9.8%	9.2%	8.0%	3.1%	8.0%	6.1%	6.5%	2.7%	3.1%

Q3 2018: Net Profit Margin

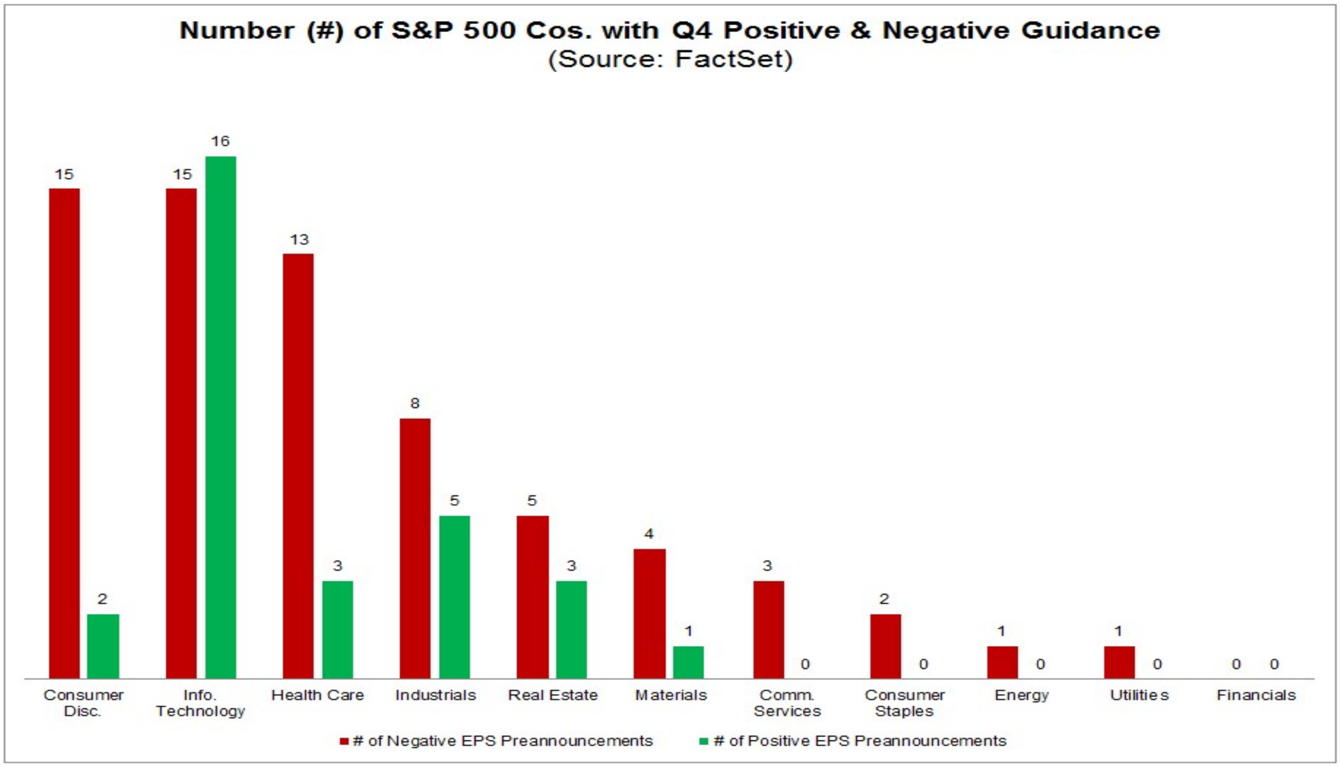


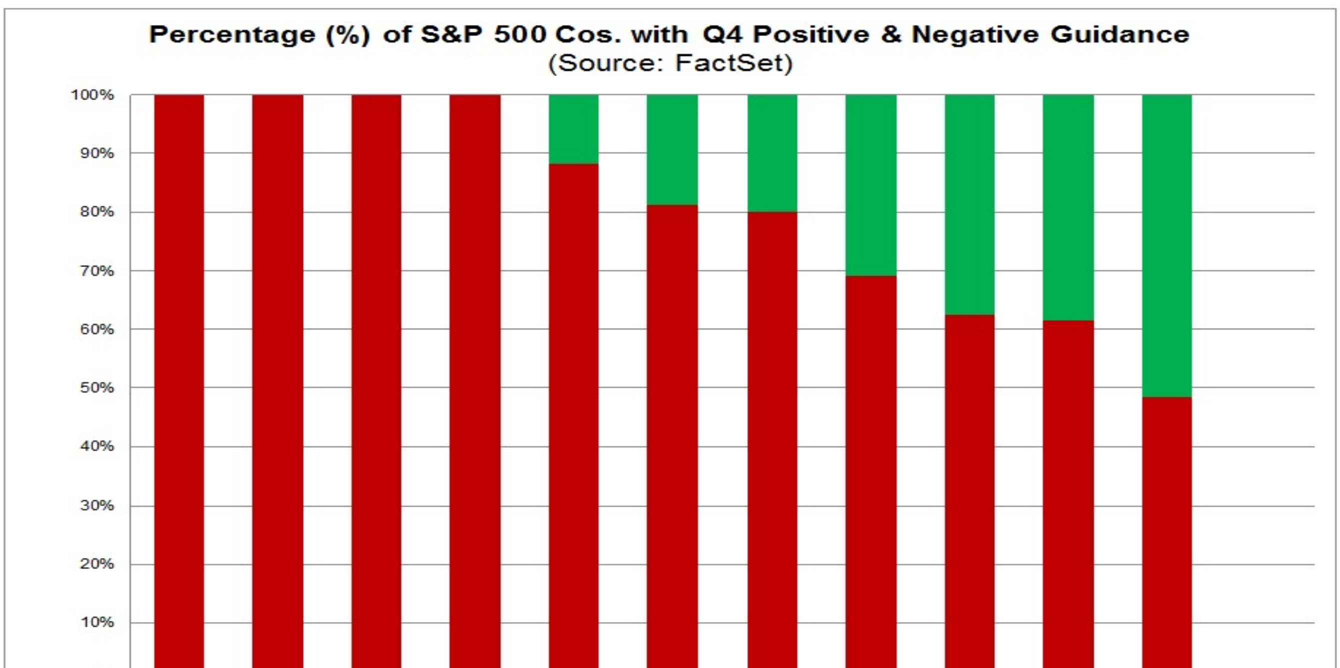
	Real Estate	Information Tech.	Financials	Utilities	Comm. Services	S&P 500	Materials	Health Care	Industrials	Energy	Consumer Disc.	Consumer Staples
Q318	34.5%	23.2%	16.4%	15.4%	13.2%	12.0%	10.7%	10.6%	10.0%	8.0%	7.9%	6.9%
Q317	36.2%	20.7%	13.1%	13.7%	11.9%	10.4%	9.0%	9.9%	9.1%	4.4%	7.0%	6.5%



	Energy	Financials	Materials	Industrials	Comm. Services	Utilities	Consumer Staples	S&P 500	Information Tech.	Consumer Disc.	Health Care	Real Estate
Down %	6%	13%	17%	17%	19%	21%	22%	22%	23%	26%	30%	47%
None %	0%	0%	0%	0%	0%	0%	0%	0%	2%	0%	2%	0%
Up %	94%	87%	83%	83%	81%	79%	78%	78%	75%	74%	69%	53%

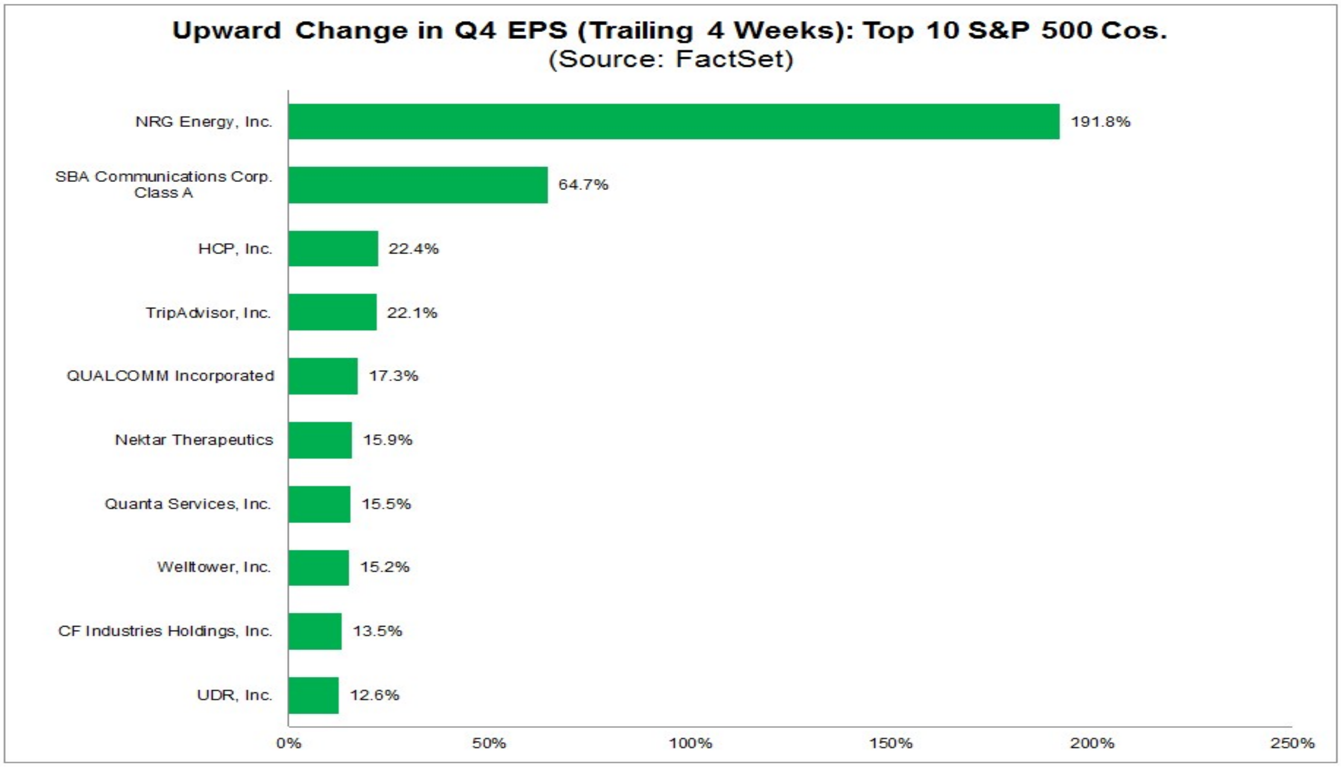
Q4 2018: EPS Guidance

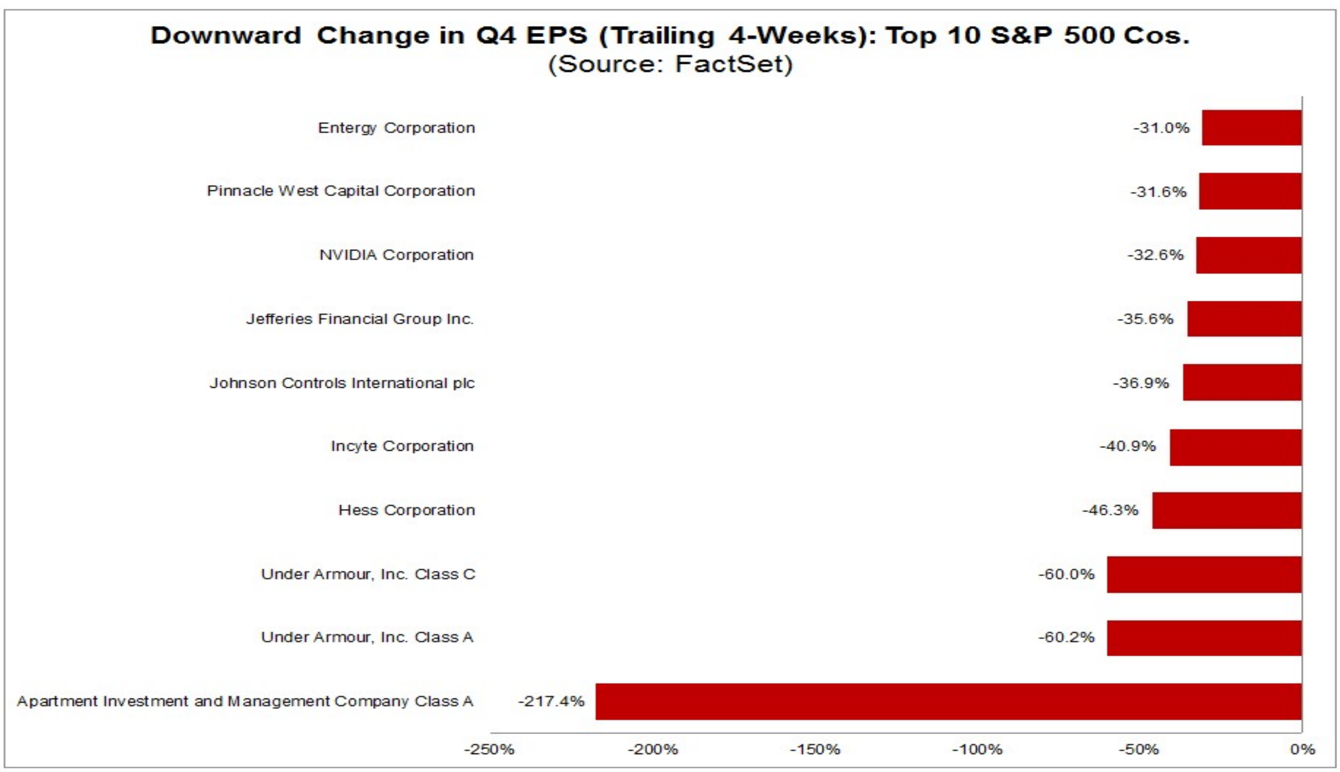




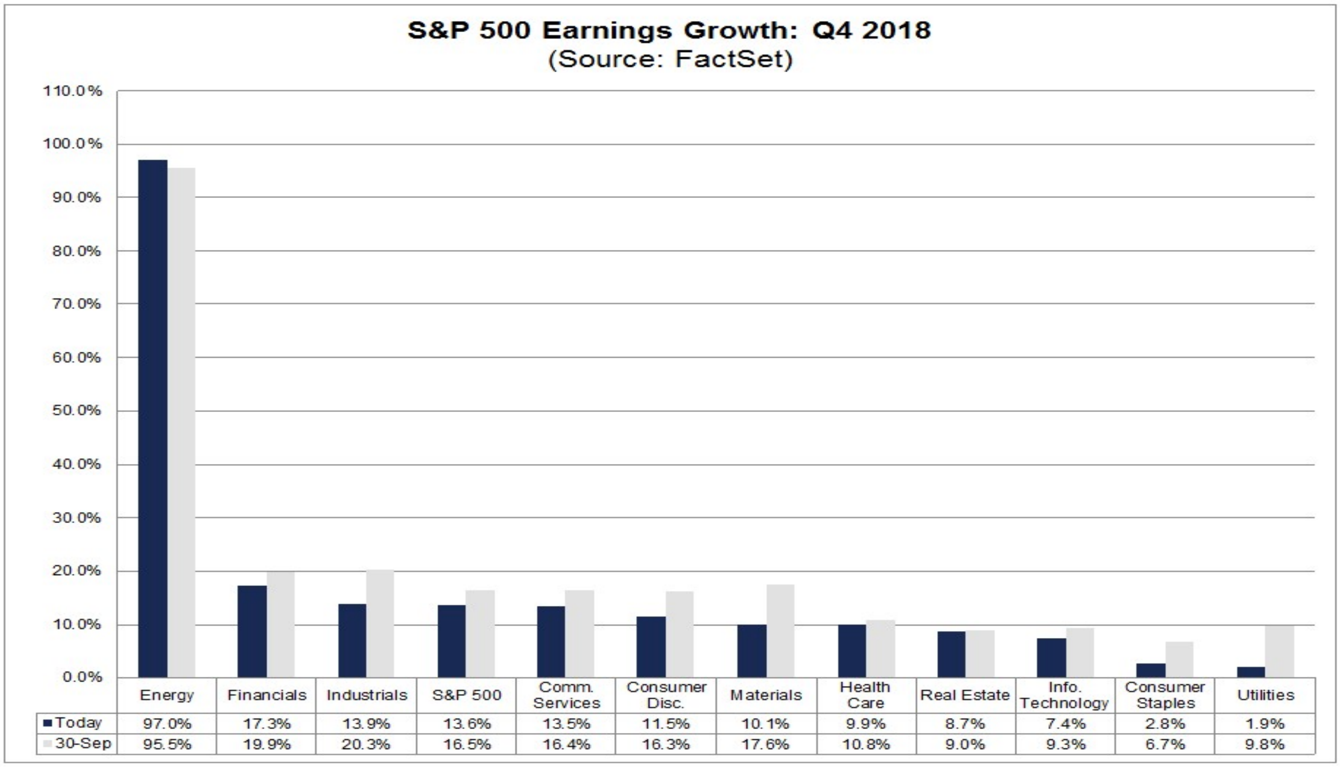
	Comm. Services	Consumer Staples	Energy	Utilities	Consumer Disc.	Health Care	Materials	S&P 500	Real Estate	Industrials	Info. Technology	Financials
Positive	0%	0%	0%	0%	12%	19%	20%	31%	38%	38%	52%	0%
Negative	100%	100%	100%	100%	88%	81%	80%	69%	63%	62%	48%	0%

Q4 2018: EPS Revisions

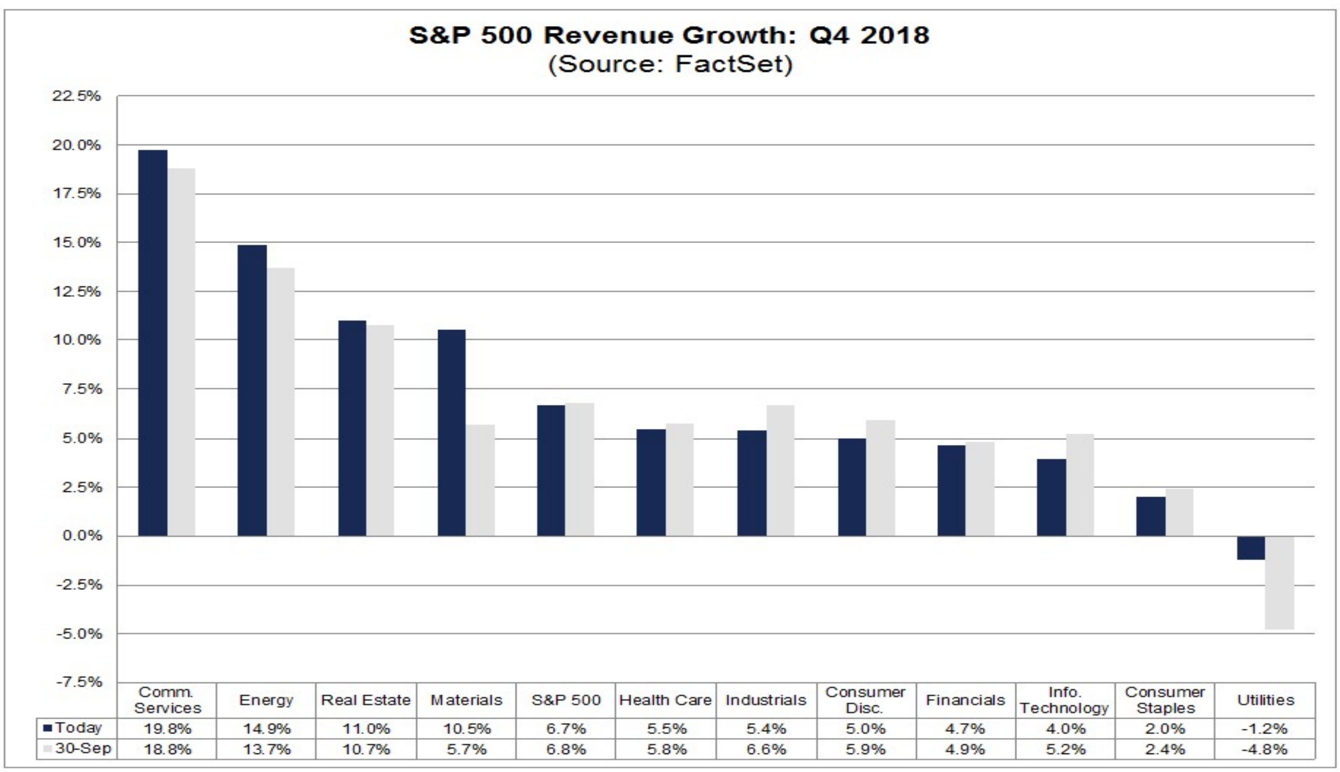




Q4 2018: Growth

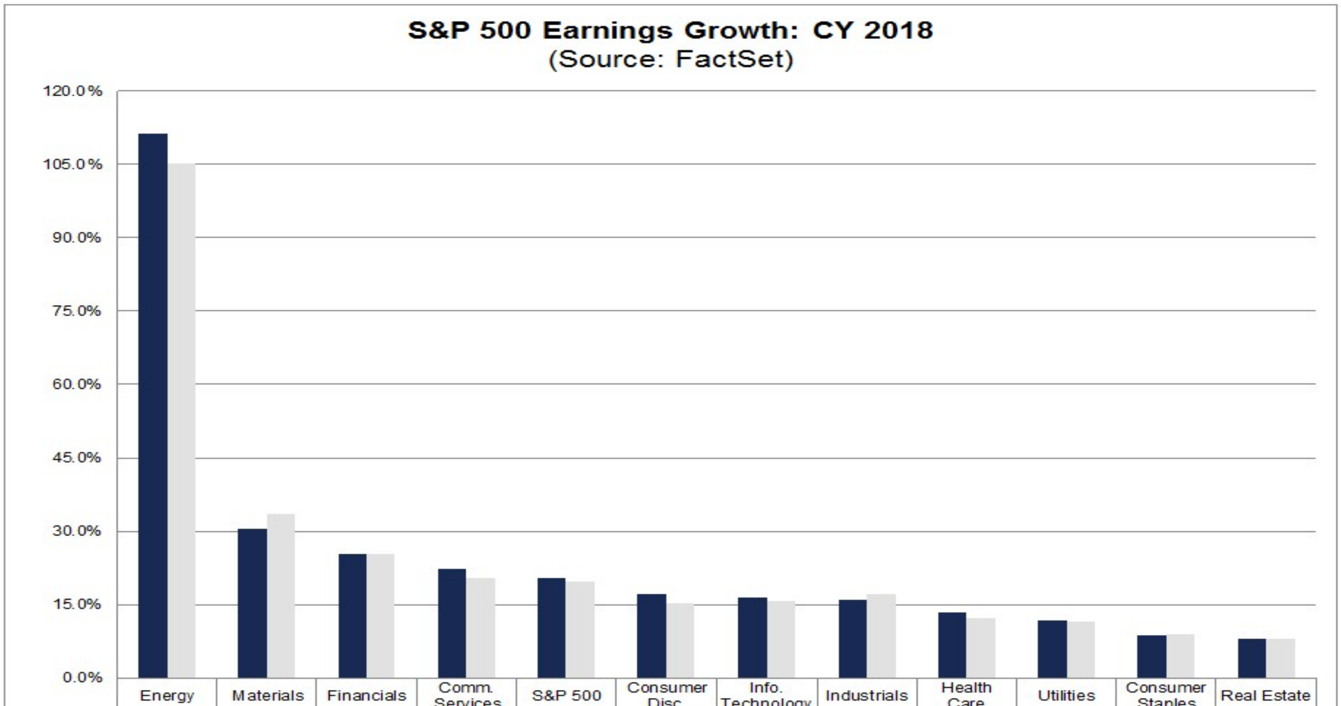


	Energy	Financials	Industrials	S&P 500	Comm. Services	Consumer Disc.	Materials	Health Care	Real Estate	Info. Technology	Consumer Staples	Utilities
Today	97.0%	17.3%	13.9%	13.6%	13.5%	11.5%	10.1%	9.9%	8.7%	7.4%	2.8%	1.9%
30-Sep	95.5%	19.9%	20.3%	16.5%	16.4%	16.3%	17.6%	10.8%	9.0%	9.3%	6.7%	9.8%

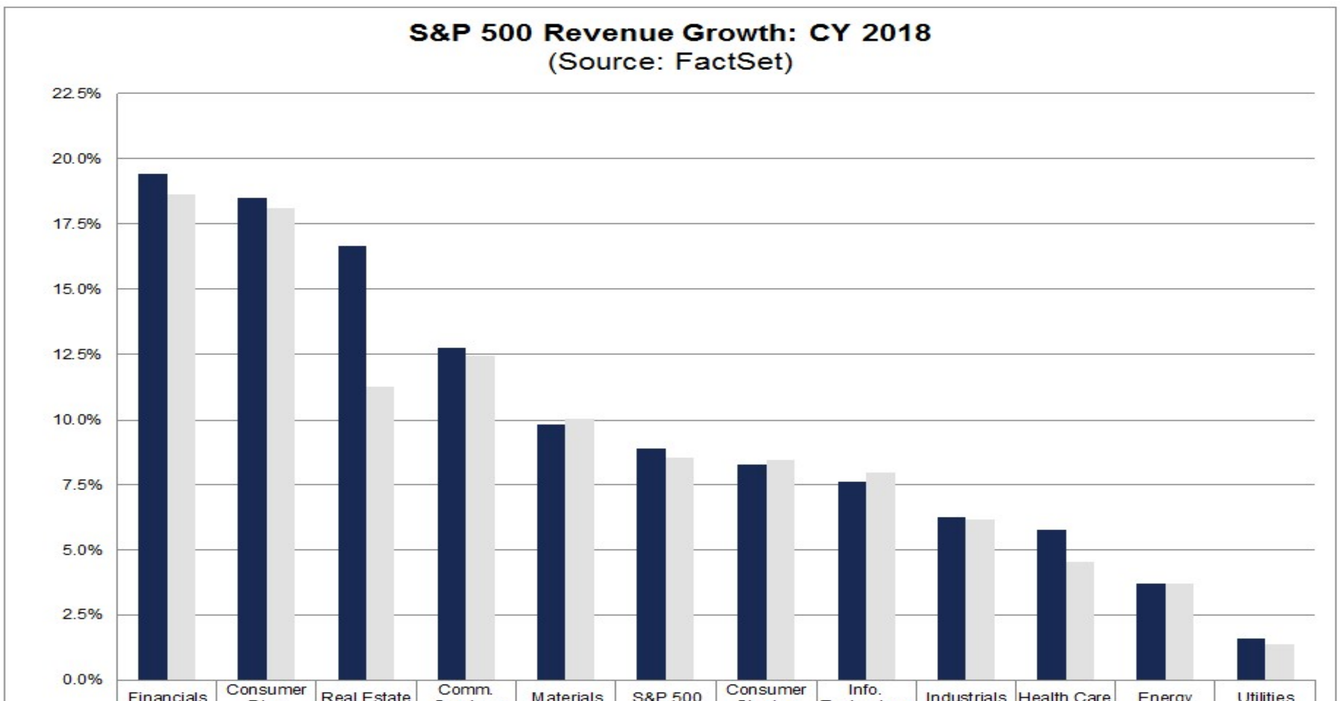


	Comm. Services	Energy	Real Estate	Materials	S&P 500	Health Care	Industrials	Consumer Disc.	Financials	Info. Technology	Consumer Staples	Utilities
Today	19.8%	14.9%	11.0%	10.5%	6.7%	5.5%	5.4%	5.0%	4.7%	4.0%	2.0%	-1.2%
30-Sep	18.8%	13.7%	10.7%	5.7%	6.8%	5.8%	6.6%	5.9%	4.9%	5.2%	2.4%	-4.8%

CY 2018: Growth

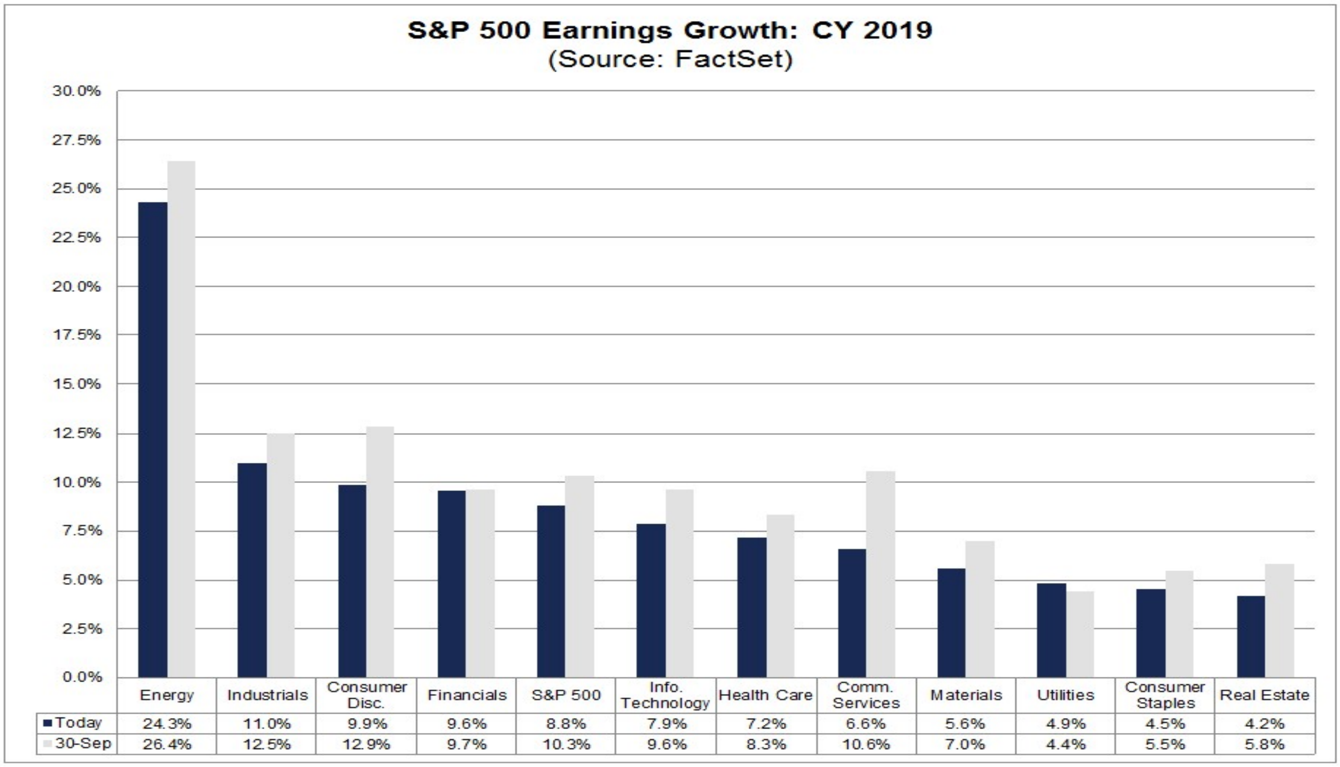


	Energy	Materials	Financials	Comm. Services	S&P 500	Consumer Disc.	Info. Technology	Industrials	Health Care	Utilities	Consumer Staples	Real Estate
Today	111.2%	30.5%	25.4%	22.4%	20.4%	17.3%	16.5%	16.1%	13.6%	12.0%	8.8%	8.2%
30-Sep	105.2%	33.6%	25.4%	20.5%	19.8%	15.3%	15.8%	17.4%	12.4%	11.6%	9.0%	8.1%

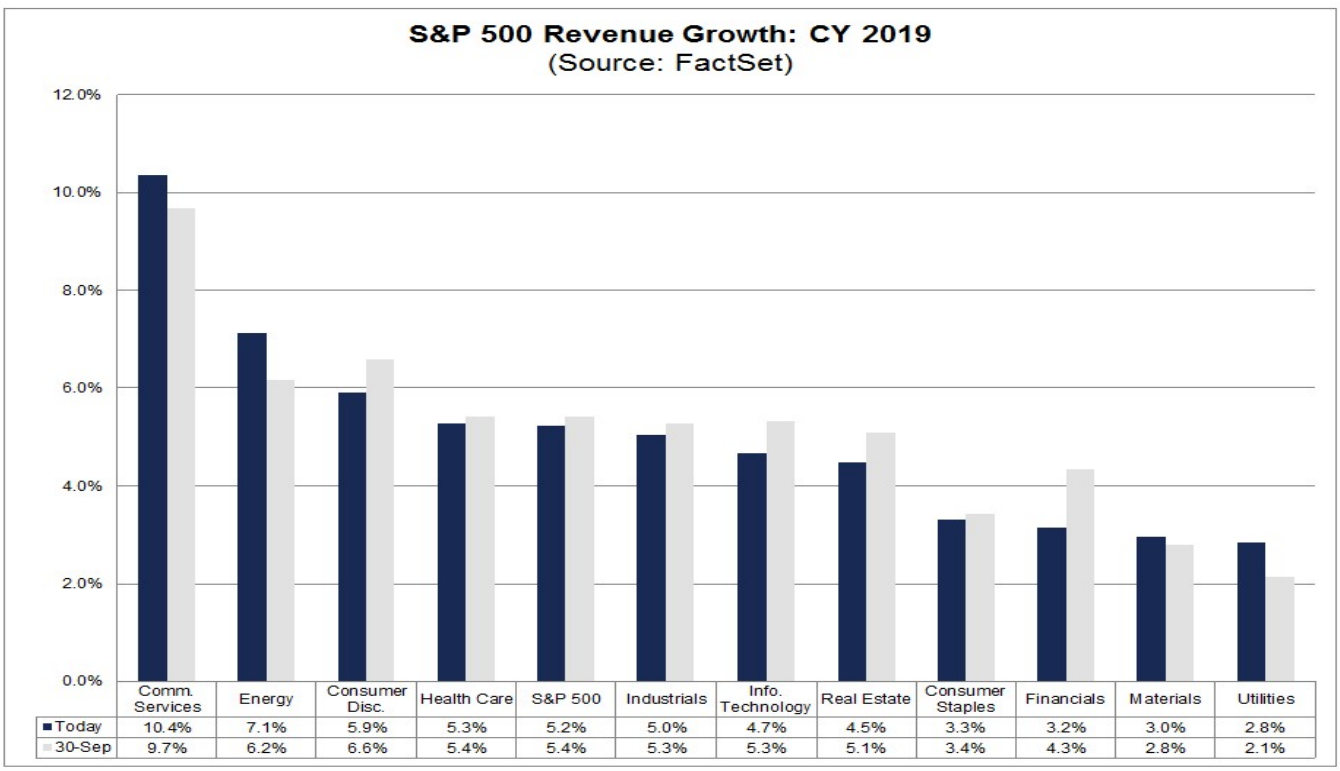


	Financials	Consumer Disc.	Real Estate	Comm. Services	Materials	S&P 500	Consumer Staples	Info. Technology	Industrials	Health Care	Energy	Utilities
Today	19.4%	18.5%	16.7%	12.7%	9.8%	8.9%	8.3%	7.6%	6.3%	5.8%	3.7%	1.6%
30-Sep	18.6%	18.1%	11.2%	12.4%	10.1%	8.6%	8.5%	8.0%	6.2%	4.5%	3.7%	1.4%

CY 2019: Growth

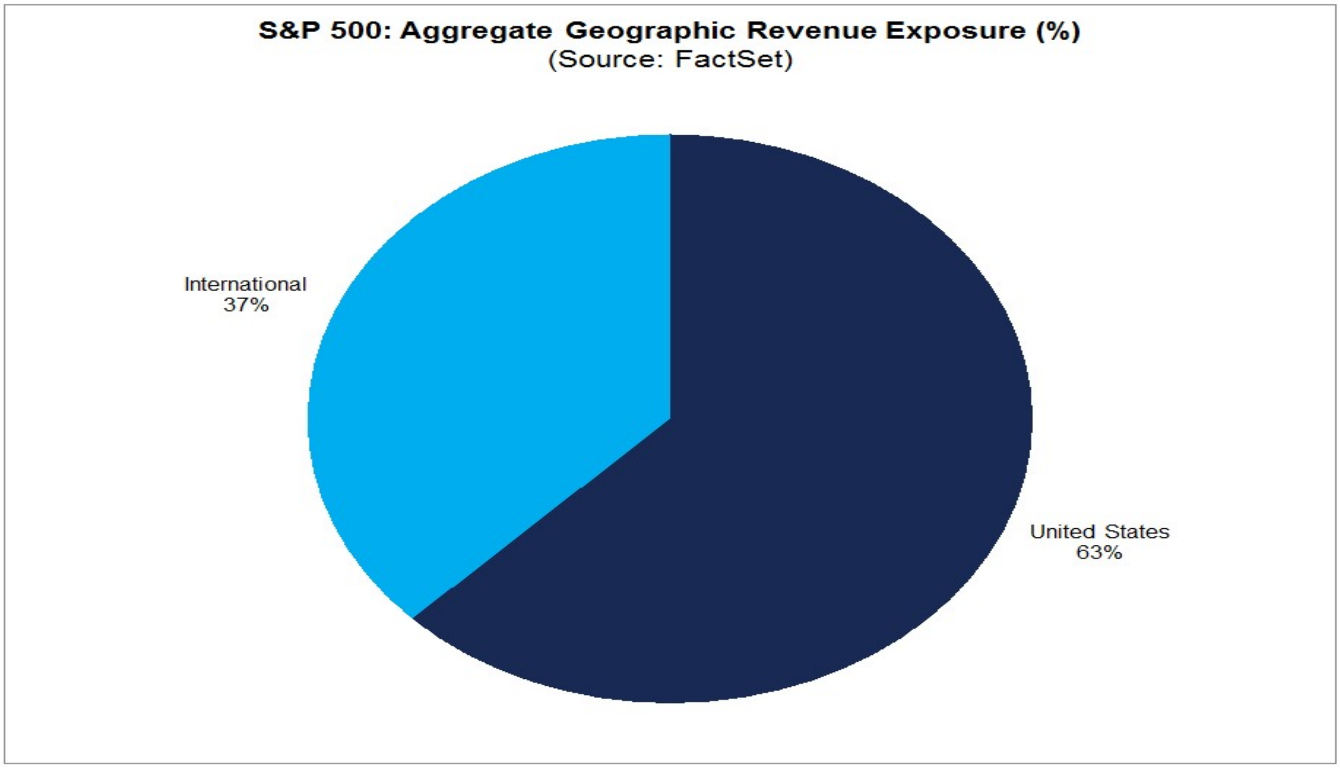


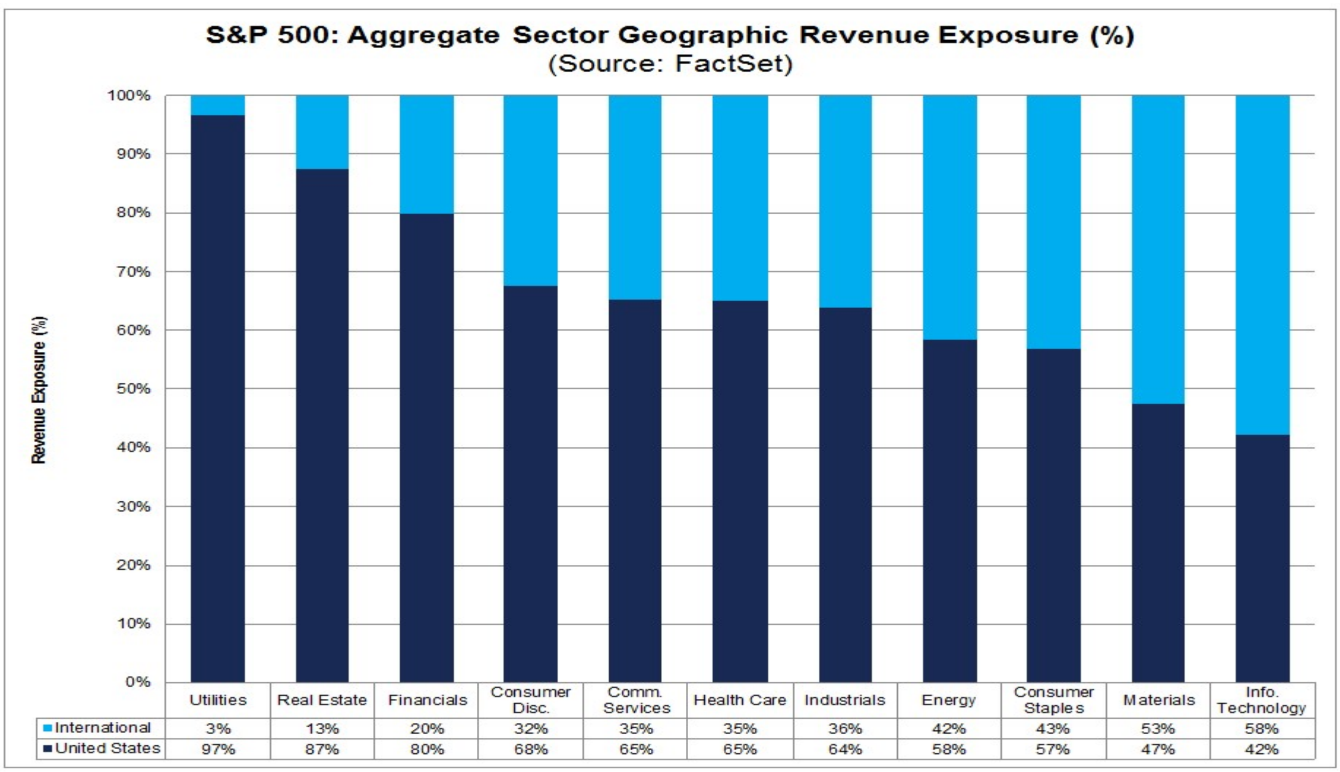
	Energy	Industrials	Consumer Disc.	Financials	S&P 500	Info. Technology	Health Care	Comm. Services	Materials	Utilities	Consumer Staples	Real Estate
Today	24.3%	11.0%	9.9%	9.6%	8.8%	7.9%	7.2%	6.6%	5.6%	4.9%	4.5%	4.2%
30-Sep	26.4%	12.5%	12.9%	9.7%	10.3%	9.6%	8.3%	10.6%	7.0%	4.4%	5.5%	5.8%



	Comm. Services	Energy	Consumer Disc.	Health Care	S&P 500	Industrials	Info. Technology	Real Estate	Consumer Staples	Financials	Materials	Utilities
Today	10.4%	7.1%	5.9%	5.3%	5.2%	5.0%	4.7%	4.5%	3.3%	3.2%	3.0%	2.8%
30-Sep	9.7%	6.2%	6.6%	5.4%	5.4%	5.3%	5.3%	5.1%	3.4%	4.3%	2.8%	2.1%

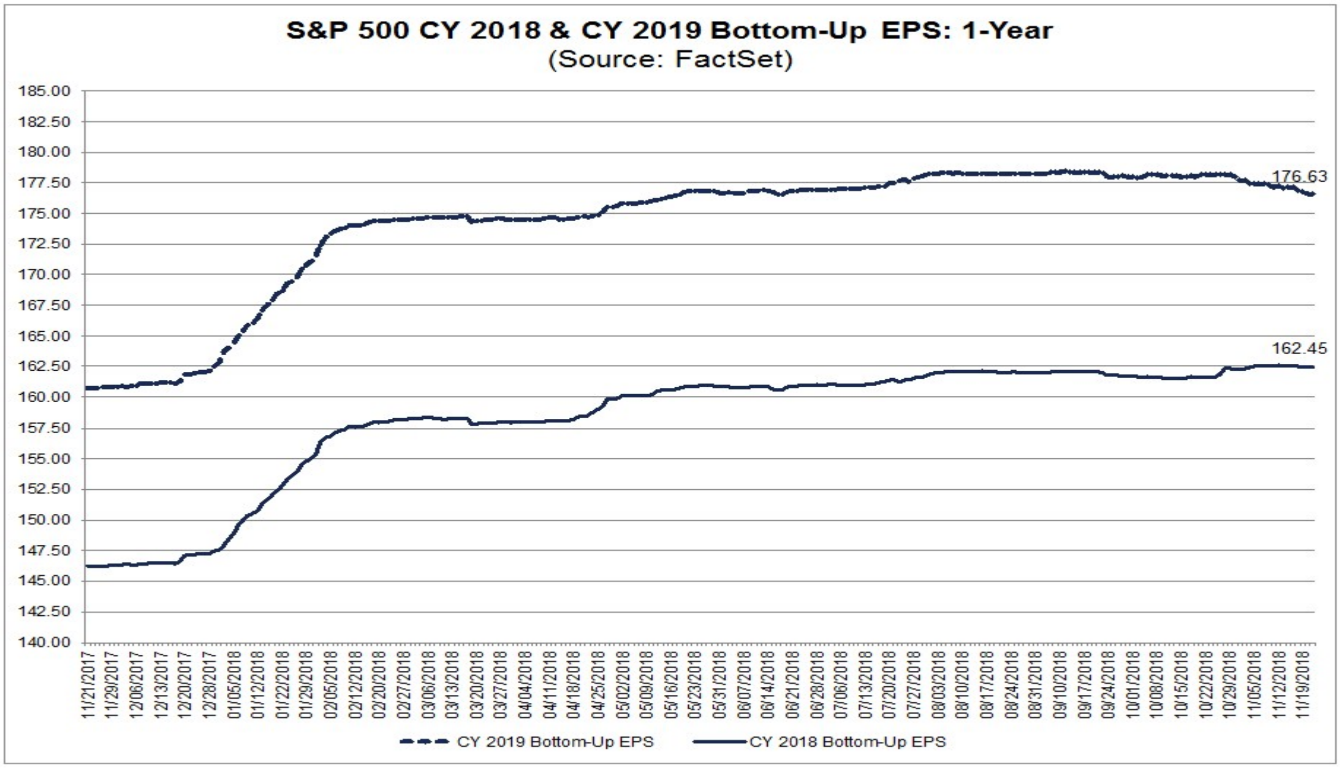
Geographic Revenue Exposure

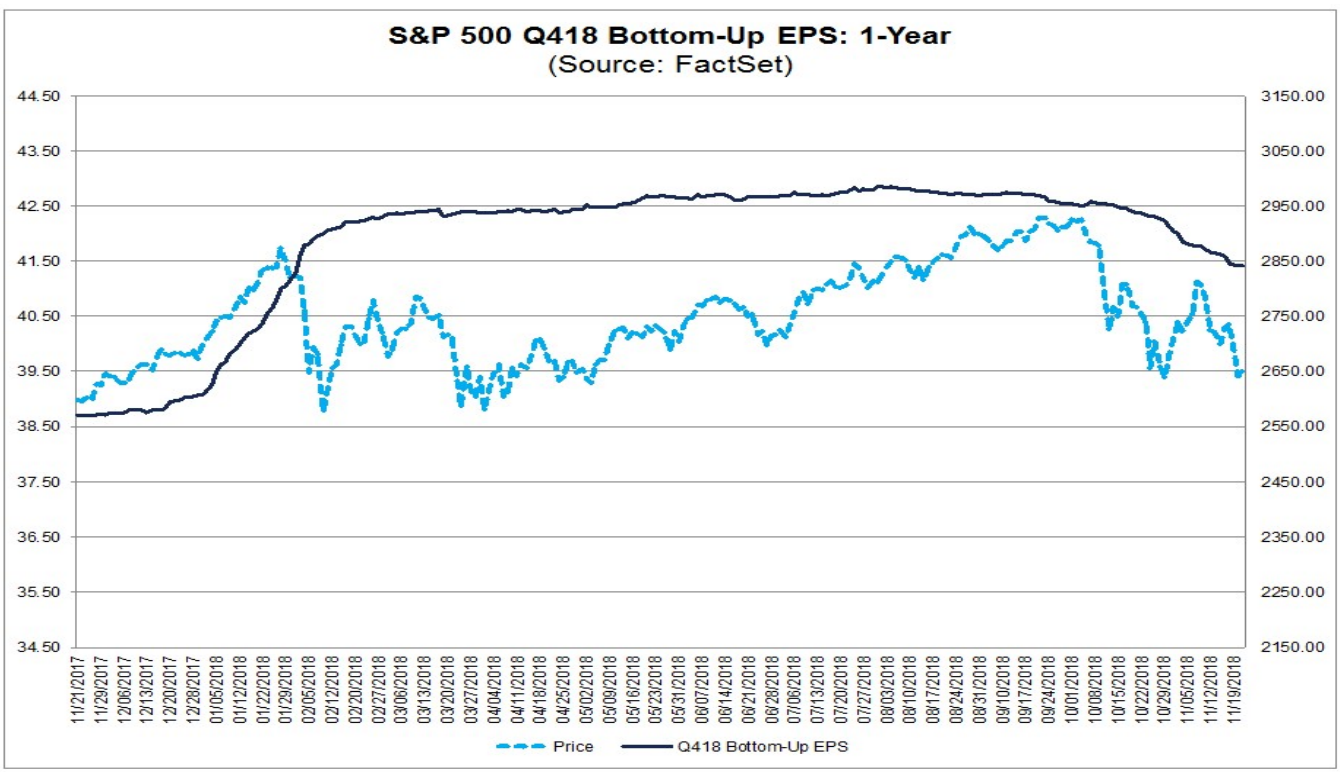




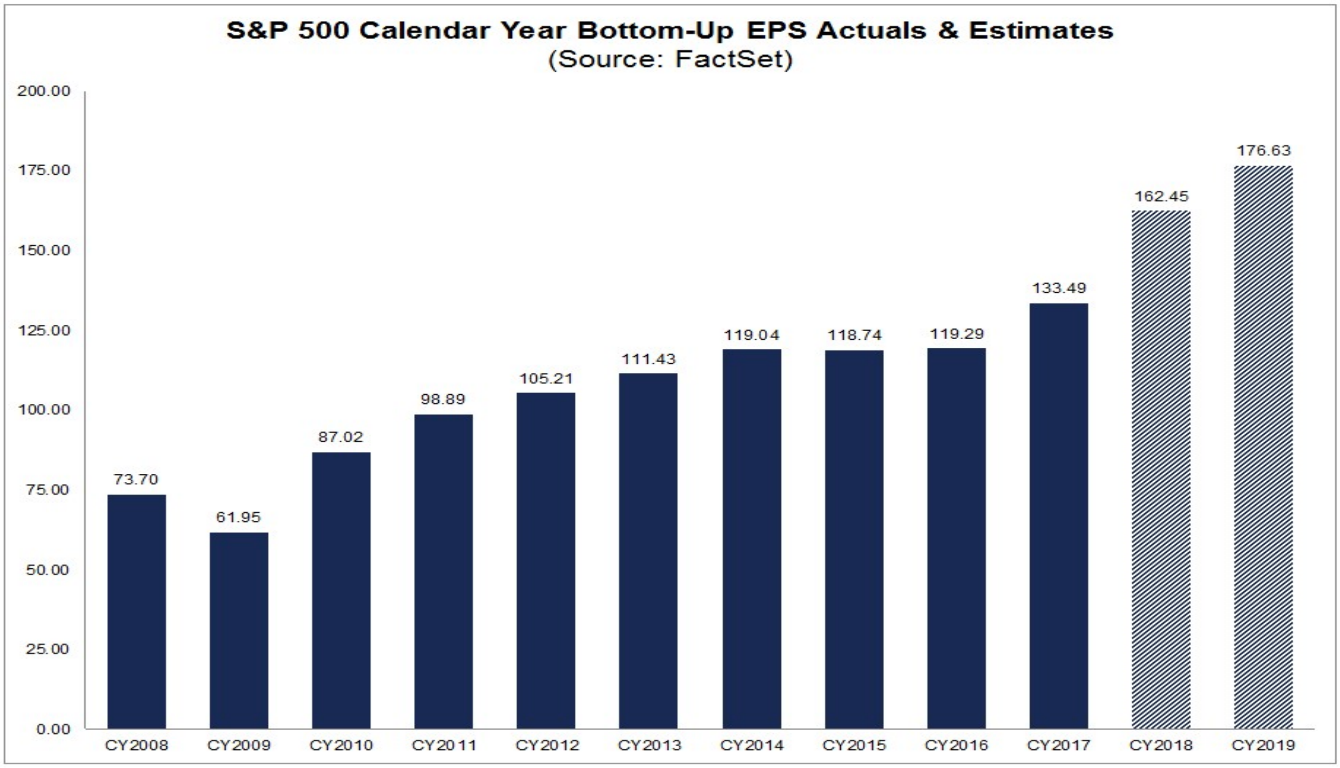
	Utilities	Real Estate	Financials	Consumer Disc.	Comm. Services	Health Care	Industrials	Energy	Consumer Staples	Materials	Info. Technology
International	3%	13%	20%	32%	35%	35%	36%	42%	43%	53%	58%
United States	97%	87%	80%	68%	65%	65%	64%	58%	57%	47%	42%

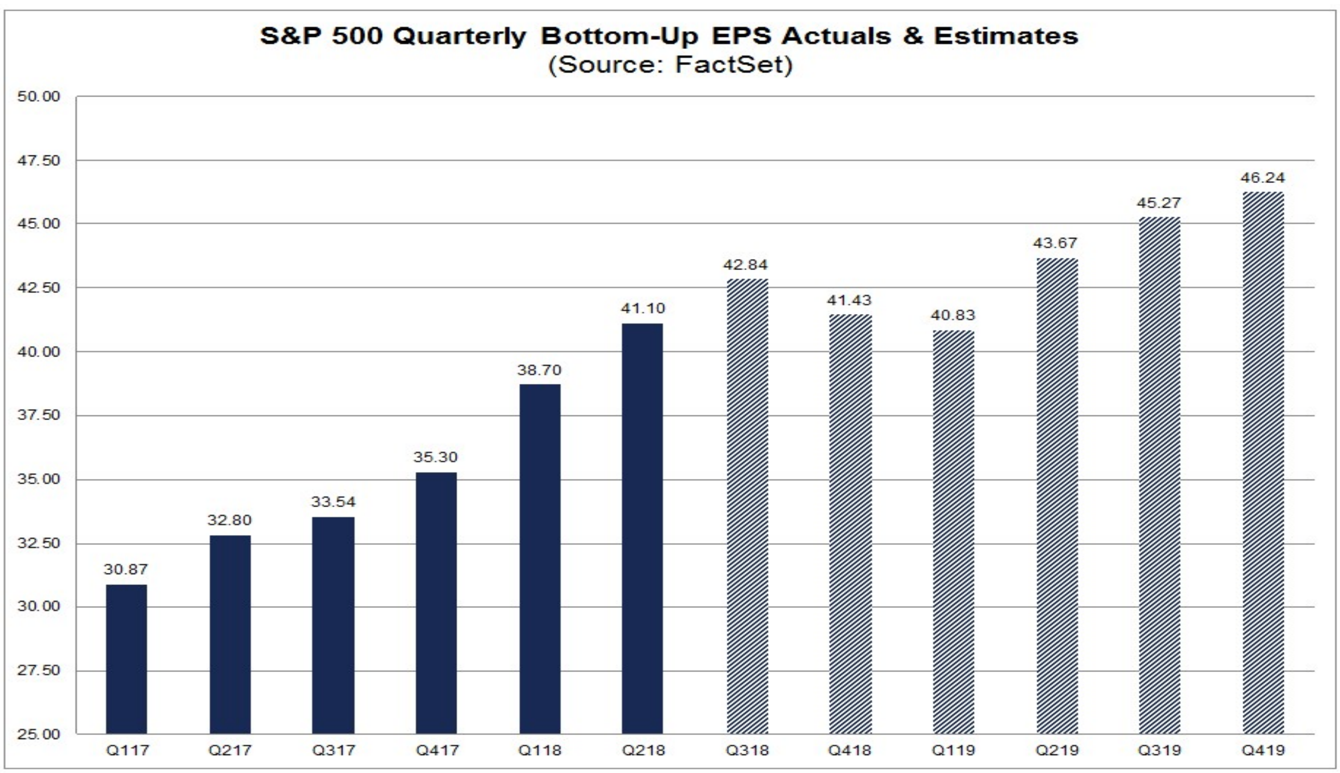
Bottom-up EPS Estimates: Revisions



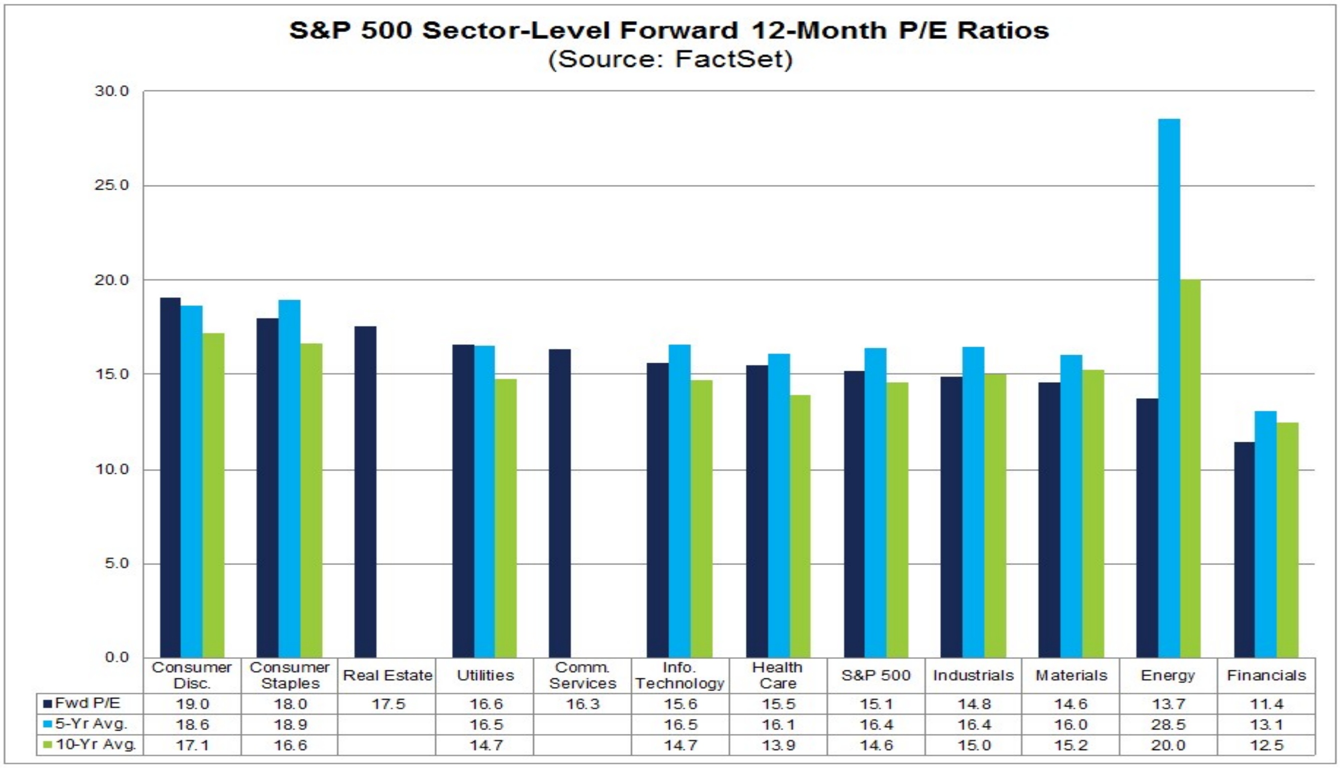


Bottom-up EPS Estimates: Current & Historical

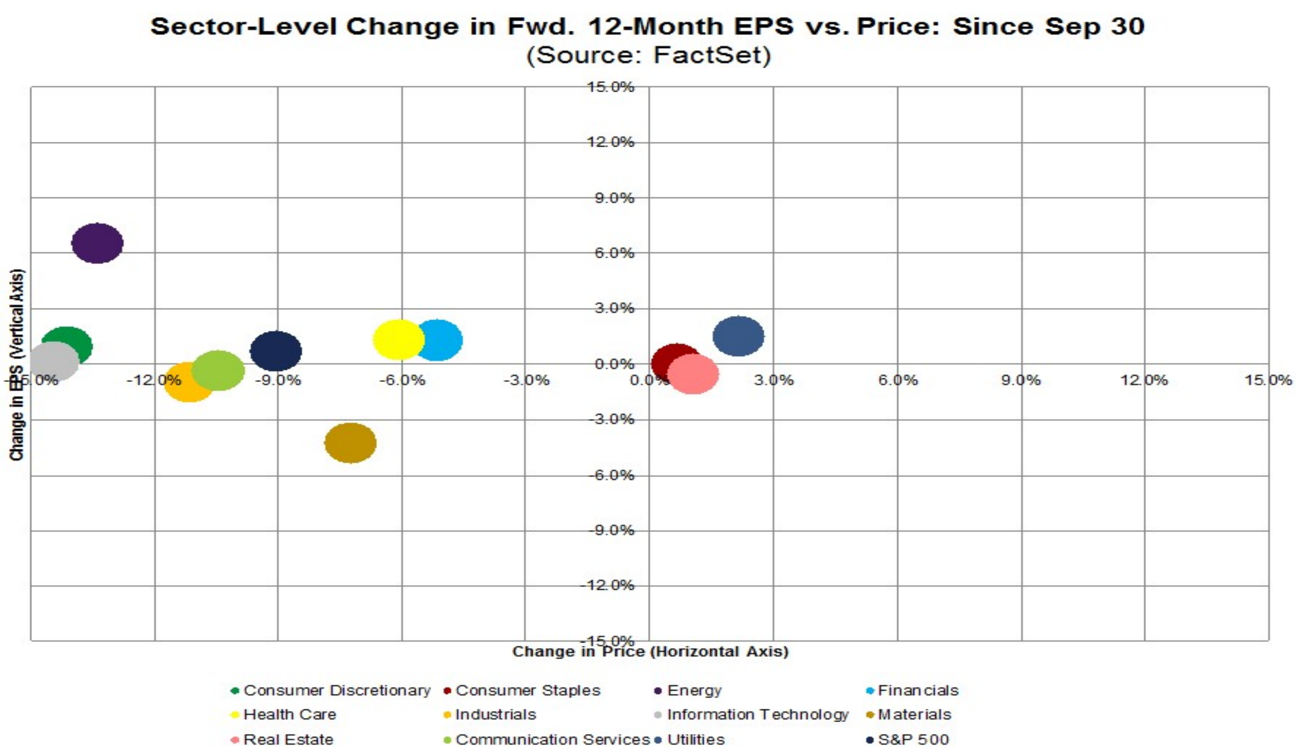




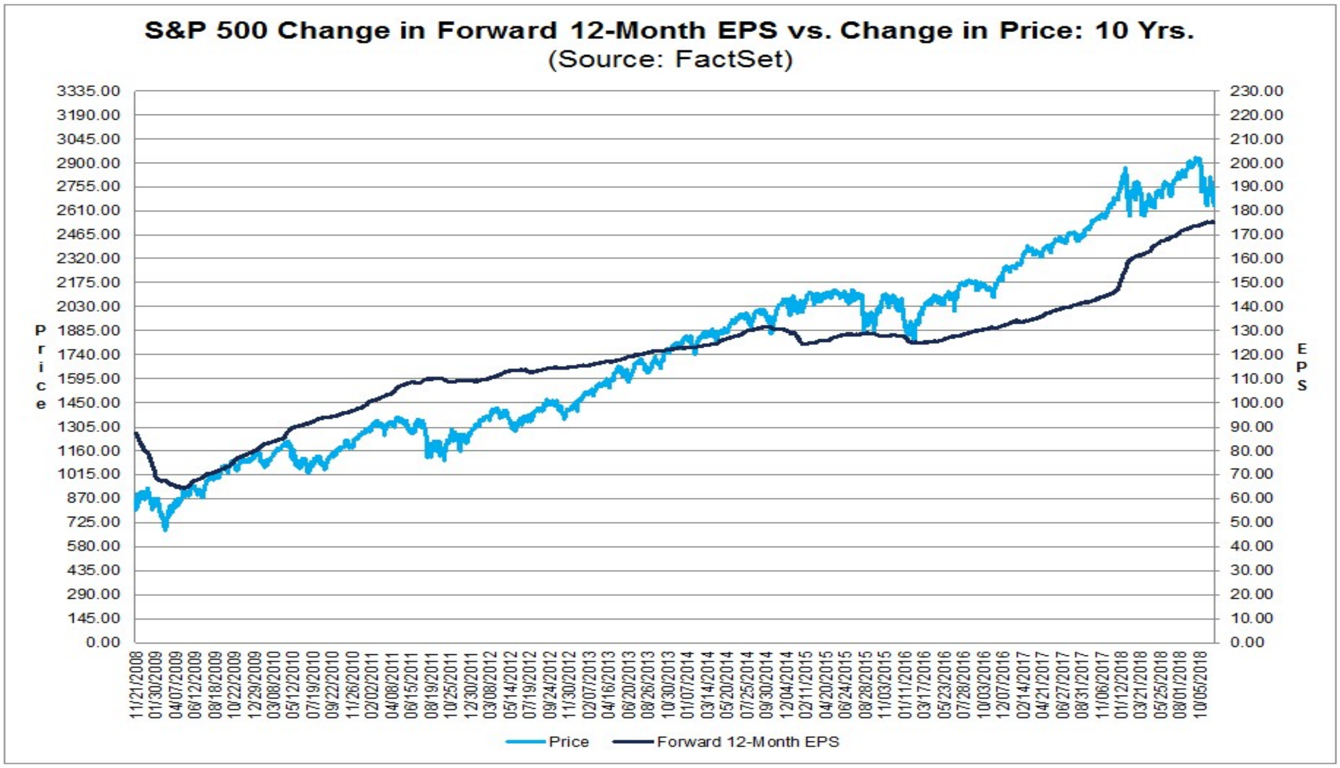
Forward 12M P/E Ratio: Sector Level

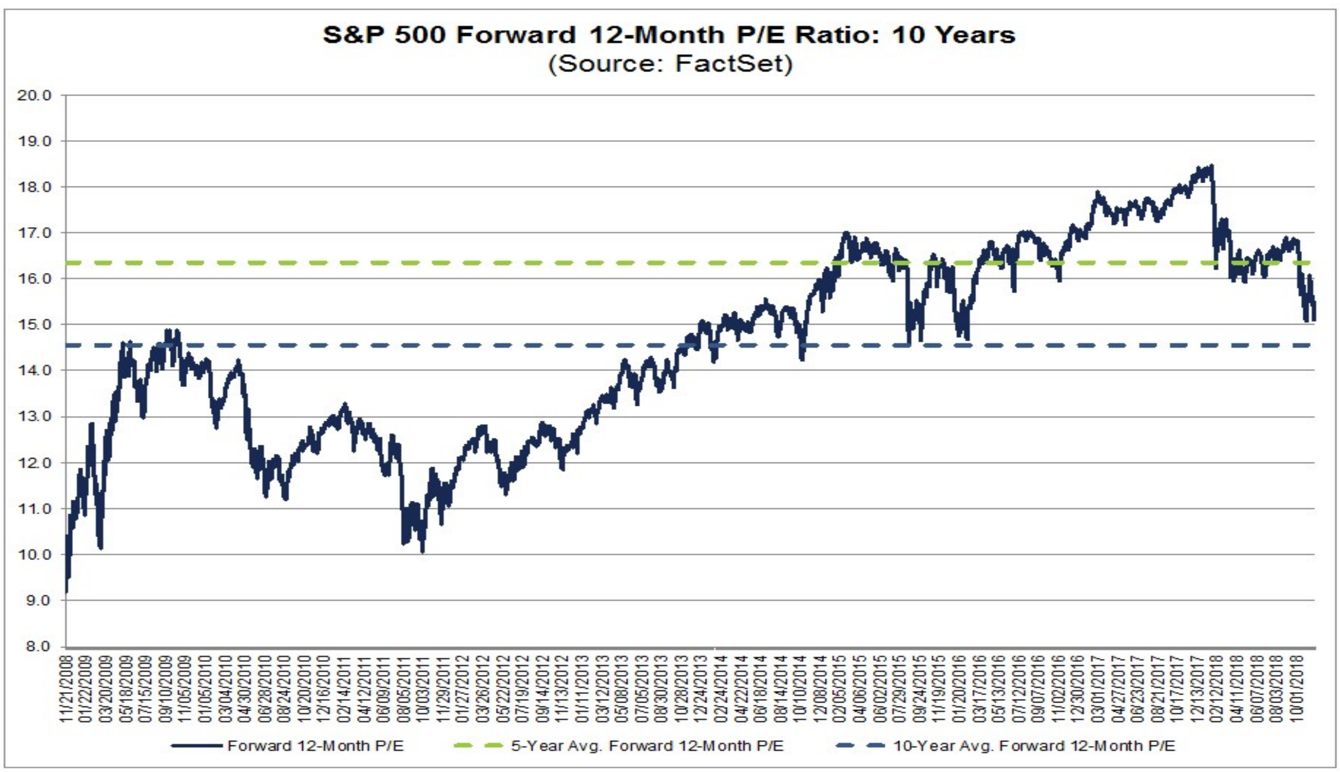


	Consumer Disc.	Consumer Staples	Real Estate	Utilities	Comm. Services	Info. Technology	Health Care	S&P 500	Industrials	Materials	Energy	Financials
Fwd P/E	19.0	18.0	17.5	16.6	16.3	15.6	15.5	15.1	14.8	14.6	13.7	11.4
5-Yr Avg.	18.6	18.9		16.5		16.5	16.1	16.4	16.4	16.0	28.5	13.1
10-Yr Avg.	17.1	16.6		14.7		14.7	13.9	14.6	15.0	15.2	20.0	12.5

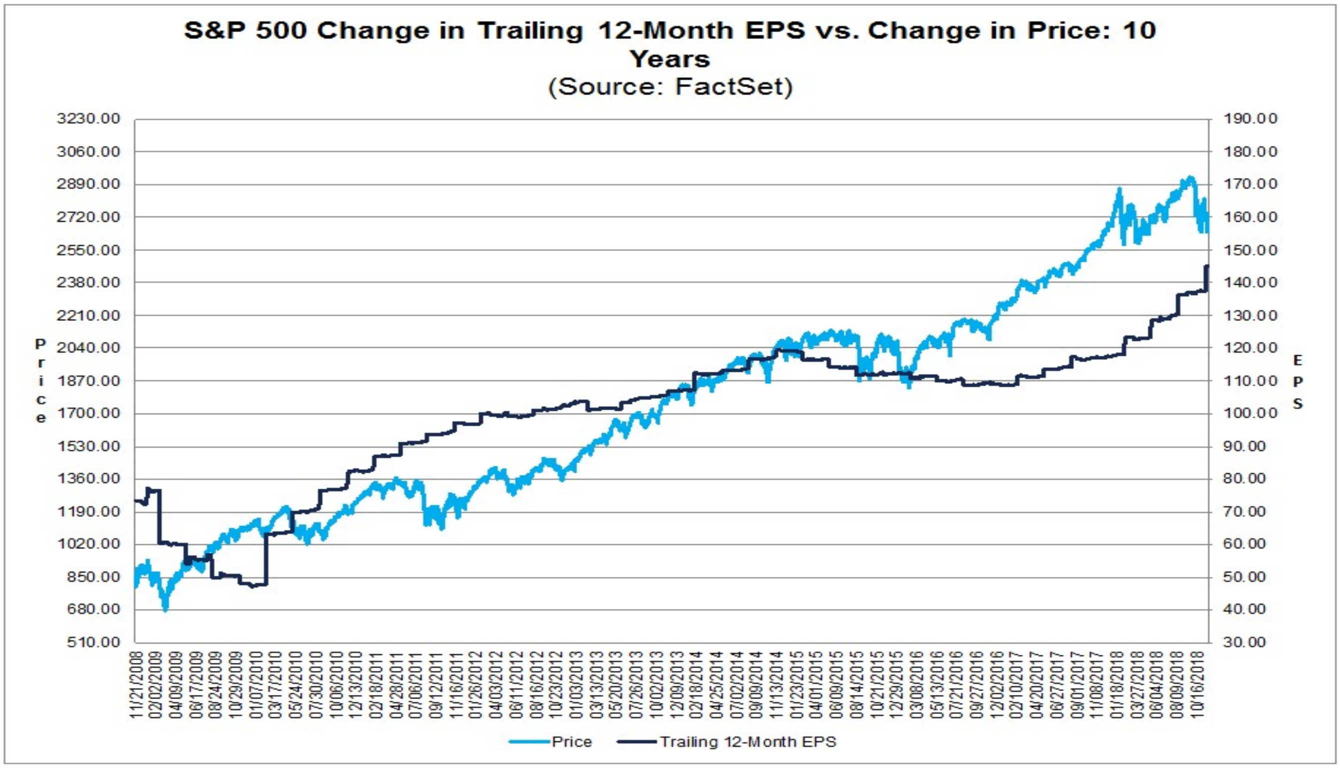


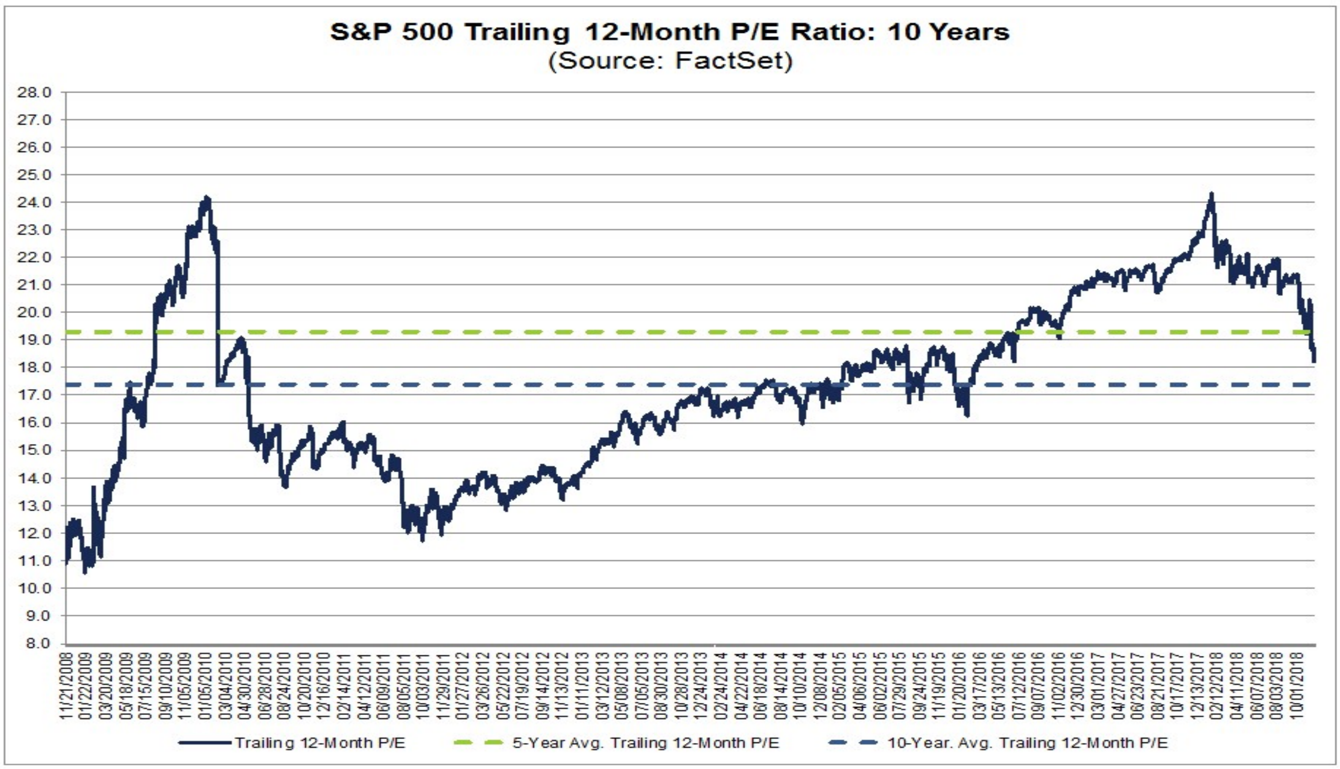
Forward 12M P/E Ratio: Long-Term Averages



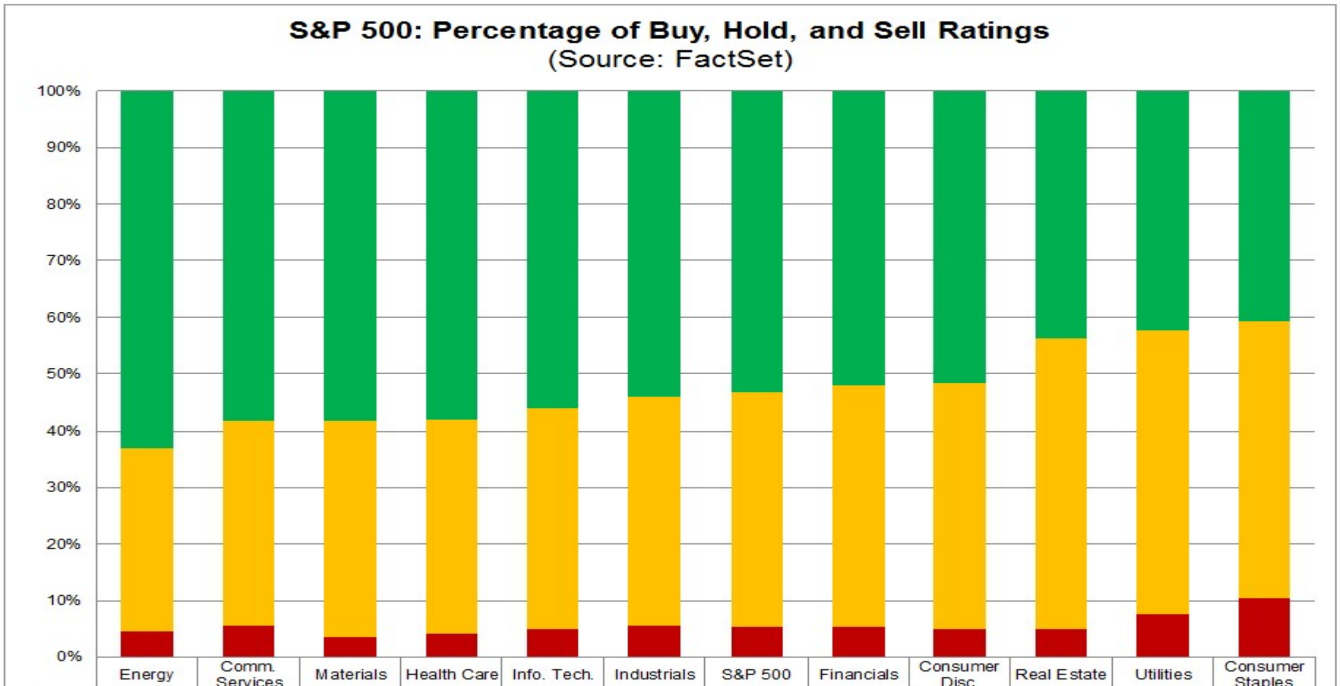


Trailing 12M P/E Ratio: Long-Term Averages





Targets & Ratings



	Energy	Comm. Services	Materials	Health Care	Info. Tech.	Industrials	S&P 500	Financials	Consumer Disc.	Real Estate	Utilities	Consumer Staples
Buy	63%	58%	58%	58%	56%	54%	53%	52%	52%	44%	42%	41%
Hold	32%	36%	38%	38%	39%	40%	41%	43%	43%	51%	50%	49%
Sell	5%	6%	3%	4%	5%	6%	5%	5%	5%	5%	8%	11%

	Energy	Comm. Services	Info. Tech.	Consumer Disc.	Industrials	S&P 500	Financials	Materials	Health Care	Real Estate	Consumer Staples	Utilities
Target/Close	28.9%	25.1%	24.9%	23.8%	19.9%	19.4%	19.2%	18.0%	14.2%	6.9%	6.6%	4.0%

Important Notice

The information contained in this report is provided "as is" and all representations, warranties, terms and conditions, oral or written, express or implied (by common law, statute or otherwise), in relation to the information are hereby excluded and disclaimed to the fullest extent permitted by law. In particular, FactSet, its affiliates and its suppliers disclaim implied warranties of merchantability and fitness for a particular purpose and make no warranty of accuracy, completeness or reliability of the information. This report is for informational purposes and does not constitute a solicitation or an offer to buy or sell any securities mentioned within it. The information in this report is not investment advice. FactSet, its affiliates and its suppliers assume no liability for any consequence relating directly or indirectly to any action or inaction taken based on the information contained in this report.

FactSet aggregates and redistributes estimates data and does not conduct any independent research. Nothing in our service constitutes investment advice or FactSet recommendations of any kind. Estimates data is provided for information purposes only.

FactSet has no relationship with creators of estimates that may reasonably be expected to impair its objective presentation of such estimate or recommendation. FactSet redistributes estimates as promptly as reasonably practicable from research providers.

About FactSet

FactSet (NYSE:FDS | NASDAQ:FDS) delivers superior analytics, service, content, and technology to help more than 66,000 users see and seize opportunity sooner. We are committed to giving investment professionals the edge to outperform, with fresh perspectives, informed insights, and the industry-leading support of our dedicated specialists. We're proud to have been recognized with multiple awards for our analytical and data-driven solutions and repeatedly ranked as one of Fortune's 100 Best Companies to Work For and a Best Workplace in the United Kingdom and France. Subscribe to our thought leadership blog to get fresh insight delivered daily at insight.factset.com. Learn more at www.factset.com and follow on Twitter: www.twitter.com/factset.